



United States  
Environmental  
Protection Agency

Office of Acquisition  
Management

October, 1999

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# **CONTRACTING OFFICER REPRESENTATIVES SUPPLEMENTAL COURSE TEXT**

## **Pilot Presentation**

**Note: Completion of the COR Mentor Program is prerequisite to taking this class.**

**Presented by:**  
**Office of Acquisition Management**  
**Acquisition Training and Oversight**  
**Service Center (3802R)**

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**The Overall Course Objective is to:**

Supplement the basic training received in the COR Mentor Program by presenting an overview of U.S. EPA contracting policies, procedures, and vulnerabilities.

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Date: \_\_\_\_\_

Instructor: \_\_\_\_\_

Location: \_\_\_\_\_

## **ADMINISTRATIVE INFORMATION**

1. Students must preregister to attend this course. At Headquarters, registrations are processed through the Acquisition Training Service Center, OAM. Local Training Officers process registrations for courses in RTP, Cincinnati, the regions, headquarters field components and regional field components.

2. Attendance is mandatory per Chapter 7 of the Contracts Management Manual.

- A student cannot miss more than 1 hour of instruction and receive a certificate.

3. This is a two day course. Hours are 9:00 a.m. to 4:00 p.m. unless the instructor indicates otherwise.

- Lunch - 1 hour
- Breaks (At the discretion of the instructor)
- All students are expected to return to the classroom on time from lunch and breaks.

### **4. CLASS DISCUSSION:**

- All students have the privilege to debate with discretion on any topic related to the course. Therefore, each student, within the bounds of courtesy and propriety, is encouraged to participate freely in class discussions.
- Statements in class will be treated as privileged information not to be attributed to a specific individual when outside the class.

### **5. STUDENT EVALUATION OF COURSE:**

Student critiques are used to evaluate and update the course content. Evaluations will be collected at the conclusion of the class. The importance of the course evaluation, by each student, cannot be overemphasized.

## ***INTRANET ACCESS TO OAM ACQUISITION GUIDANCE***

The following information is available on the EPA INTRANET at <http://intranet.epa.gov/oamintra>

- Acquisition Policy Memoranda
- Acquisition Training
- Areas of expertise - points of contact on specific topics
- Best Practices Guide for Conferences
- Best Practices Guide for Multiple Award Task Order Contracting
- Contracts Management Manual including the following chapters:
  - 1. Acquisition and Contract Management Planning
  - 2. Procurement initiation and Related Documentation
  - 3. Unsolicited Proposals
  - 4. Blanket Purchase Orders
  - 5. Providing Government Property
  - 6. Invoice Review Process
  - 7. Contracting Officer Representatives
  - 8. Contracting Officer Warrant Program
  - 9. Accounting for Appropriations in Contracts
  - 10. Procurement Systems Evaluation
  - 11. Safeguarding Bids and Proposals
  - 12. Ratification of Unauthorized Commitments
  - 13. Affirmative Procurement Program
  - 14. Quality Contracting Teams
  - 15. Use of Cost-Plus-Award-Fee Contracts
  - 16. Multiple Award Contracts
  - 17. Reserved
  - 18. Prohibition on Directed Subcontracting
  - 19. Reserved
  - 20. Shutdown Procedures
- EPA Acquisition Regulation (EPAAR)
- EPA Order 1900.1A Use of Contractor Services to Avoid Improper Contractor Relationships
- Government-Wide Contracts - contracts for various information technology supplies and

services issued for use by other federal agencies, but available for use by EPA.

○ A Guide to Best Practices for Past Performance

○ Interim Acquisition Rules for Comment

○ Policy Hot Tips - updated regularly

○ Procurement Policy Notices

○ Purchase Card Guidance

○ Simplified Acquisitions Made Easy

○ Virtual Acquisition Research Center

# FORMS, FORMS, FORMS

U.S. Government Standard Forms (SF) or Optional Forms (OF) are available to download, fill, and print via the Internet at <http://www.gsa.gov/forms>.

EPA Forms can be printed from the Intranet at <http://intranet.epa.gov/nrmp/forms>.

EPA “fill and print” forms are available in E-Forms—if it has been implemented in your office. The E-Forms Help Desk can be reached on 703-734-2338.

Forms “Fax -on-demand” are available through 202-564-FORM.

Hard copies are available from the National Center for Environmental Publications and Information (NCEPI). To order forms, submit EPA Form 2360-1 to:

Forms Distribution Office  
U.S. EPA-NCEPI  
Forms Distribution Office  
P.O. Box 42419  
Cincinnati, OH 45242

To contact NCEPI:  
(513) 489-8190 (phone)  
(513) 489-8695 (FAX)  
[ncepi.mail@epamail.epa.gov](mailto:ncepi.mail@epamail.epa.gov)

## INTERNET SITES

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| <b>1. <a href="http://www.faionline.com">www.faionline.com</a></b>                                 | <b>COR Mentor Program</b><br><b><i>Basic training required for all Agency CORs</i></b>  |
| <b>2. <a href="http://www.gsa.gov/staff/v/training.htm">www.gsa.gov/staff/v/training.htm</a></b>   | <b>Federal Acquisition Institute</b><br><b><i>Information on Government wide career management for the acquisition workforce, such as COs and CORs.</i></b> |
| <b>3. <a href="http://www.gsa.gov">www.gsa.gov</a></b>   | <b>General Services Administration (GSA) Homepage</b>   |
| <b>4. <a href="http://www.gsa.gov/far">www.gsa.gov/far</a></b>                                     | <b>Federal Acquisition Regulations</b>  |
| <b>5. <a href="http://www.pub.fss.gsa.gov/services.html">www.pub.fss.gsa.gov/services.html</a></b> | <b>Links to solicitations and schedules for all multiple award schedules for services offered by GSA HQ and regional offices</b>                            |
| <b>6. <a href="http://www.usoge.gov">www.usoge.gov</a></b>   | <b>U.S. Office of Government Ethics</b><br><b><i>Ethics regulations &amp; guidance OGE Form 450, Confidential Financial Disclosure</i></b>                  |
| <b>7. <a href="http://www.arnet.gov">www.arnet.gov</a></b>   | <b>Acquisition Reform Network</b><br><b><i>Information on acquisition best practices, suspended &amp; debarred list, etc.</i></b>                           |
| <b>8. <a href="http://www.deskbook.osd.mil">www.deskbook.osd.mil</a></b>                           | <b>Acquisition reform information</b>   |
| <b>9. <a href="http://www.acq.osd.mil/dau">www.acq.osd.mil/dau</a></b>                             | <b>Defense Acquisition University</b>   |
| <b>10. <a href="http://www.gao.gov">www.gao.gov</a></b>  | <b>General Accounting Office Home Page</b>  |

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## **MODULE 1: PURPOSE AND OVERVIEW**

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### **A. PURPOSE OF COURSE**

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This course is designed to enable Contracting Officer Representatives (COR) at EPA to perform their contract management roles effectively. Work Assignment Managers (WAMs) have been selected as the principal audience because of the extensive use within EPA of level-of-effort (LOE) contracts which use work assignments to issue the work. However, the course also applies to Delivery Order Project Officers (DOPOs), who manage tasks under fixed rate contracts, and Task Order Project Officers (TOPO), who manage work under multiple award contracts. In addition, the course should be useful to Project Officers (POs) in performing their post-award contract management tasks, as well as to supervisors of CORs.

Completion of the Federal Acquisition Institute's on-line COR Mentor Program is a prerequisite to this course. This course is intended to reinforce, build upon and deepen the understanding of contract management practices introduced in the COR Mentor Program and to familiarize students with unique Agency contracting policies, procedures, and vulnerabilities. These vulnerabilities issues include personal services, inherently governmental functions, conflict of interest, and other contract administration issues.

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### **B. OBJECTIVES OF COURSE**

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Upon completion of this course, COR will be able to:

- Describe the overall work assignment management process, and the roles and responsibilities of the key individuals in the process.
- Describe methods, procedures and issues in performing the range of work assignment management tasks. These include:
  - Plan a work assignment
  - Develop an independent Government cost estimate
  - Write a completion-oriented statement of work
  - Determine and document quality assurance requirements
  - Establish and maintain project files
  - Review and evaluate a Contractor's work plan
  - Monitor a Contractor's technical performance, including providing technical direction
  - Monitor a Contractor's financial performance
  - Initiate amendments to a work assignment

- Complete performance event reports
- Monitor the use of Government-furnished property (GFP)
- Close out a work assignment
- Identify potential contracting improprieties and vulnerabilities and determine ways to avoid or mitigate them. These include issues associated with personal services, inherently governmental functions, conflict of interest and other contract administration issues.

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## C. ORGANIZATION AND CONTENTS OF THE COURSE TEXT

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The course text is intended to support the instruction in class, as well as to serve as a desk reference for CORs on the job. This Manual should be used in conjunction with the other Agency documents dealing with contract management such as the *Contracts Management Manual* and the *EPA Acquisition Regulation (EPAAR)*.

The Participant Manual consists of eight modules. These are:

- **Module 1 - Purpose and Overview**
- **Module 2 - The Work Assignment Management Process** - Presents an overview of the major tasks performed in work assignment management, and describes and contrasts the roles of the Work Assignment Manager, the Project Officer, the Contracting Officer, and the Supervisor of the Work Assignment Manager.
- **Module 3 - Pervasive Issues and Standards of Conduct** - Discusses potential vulnerabilities associated with personal services, inherently governmental functions, and conflict of interest.
- **Module 4 - Preparing the Work Assignment Package** - Discusses procedures for planning a work assignment, developing an independent Government cost estimate, preparing a completion-oriented statement of work (SOW), documenting quality assurance requirements, and preparing the necessary forms and documents that accompany a SOW.
- **Module 5 - Establishing and Maintaining Project Files** - Describes procedures for creating, organizing, and maintaining files for a work assignment.
- **Module 6 - Reviewing the Contractor's Work Plan** - Discusses procedures for reviewing the technical and financial elements of a Contractor's work plan, and resolving differences with the Contractor through negotiations.
- **Module 7 - Performing Technical Monitoring** - Describes the procedures for monitoring the technical performance of a Contractor, including providing technical direction, reviewing technical progress reports and deliverables, conducting progress meetings, and identifying problem areas and corrective actions.
- **Module 8 - Performing Financial Monitoring** - Describes the procedures for monitoring the financial performance of a Contractor, including reviewing financial progress reports and invoices, handling special cases such as funding with multiple appropriations, identifying potential cost overruns and other problems, and forecasting carryover funds

The modules are organized in a common format, including the purpose of the module, instructional objectives, and detailed descriptions of the various roles, procedures, guidelines, and issues and problems associated with the various work assignment management tasks. Checklists, worksheets, and sample completed forms and other examples are included as appropriate. Exercises used in class to explore and test understanding of various principles, practices and issues are also included.

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## **MODULE 2: THE WORK ASSIGNMENT MANAGEMENT PROCESS**

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### **A. INTRODUCTION**

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This Module provides the foundation for this course. It outlines the major steps in the work assignment management process, relates this process to the overall contract management function, and describes and contrasts the roles of the Work Assignment Manager, Project Officer and other parties in the process. The Module concludes with a discussion of WAM performance standards. Subsequent modules present detailed procedures for performing the various work assignment management tasks.

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### **B. OBJECTIVES**

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At the completion of this Module, you will be able to:

- Describe the major tasks in the work assignment management process.
- Describe the relationship between the work assignment management process and the overall contracting process.
- Describe and contrast the roles and responsibilities of the Work Assignment Manager, Project Officer, Contracting Officer, the Supervisor of the Work Assignment Manager and the Contractor.

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## **C. THE CONTRACT MANAGEMENT PROCESS**

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### **1. Overall Contract Management**

The overall contract management process consists of two major segments: **pre-award** and **post-award**. The post-award process is often referred to as **contract administration**. Exhibit 2-1 illustrates the overall contract management process.

#### **(1) The Pre-Award Process**

The **pre-award** process consists of the activities associated in planning procurements, evaluating proposals and awarding contracts. Specific pre-award tasks include:

- Develop acquisition plan
- Prepare and approve Procurement Request (PR) package
- Establish Source Evaluation Board and Technical Evaluation Panel (TEP)
- Prepare Request for Proposal (RFP)
- Perform evaluation of technical proposals
- Perform evaluation of business proposals
- Conduct negotiations and select Contractor for award
- Award contract
- Conduct debriefings
- Resolve protests

The **Project Officer** is typically heavily involved in many pre-award tasks, often responsible for preparing the Procurement Request package and chairing the Technical Evaluation Panel (TEP). The **Work Assignment Manager** may participate in pre-award tasks by assisting the Project Officer in drafting the Statement of Work for the procurement package or serving as a member of the TEP.

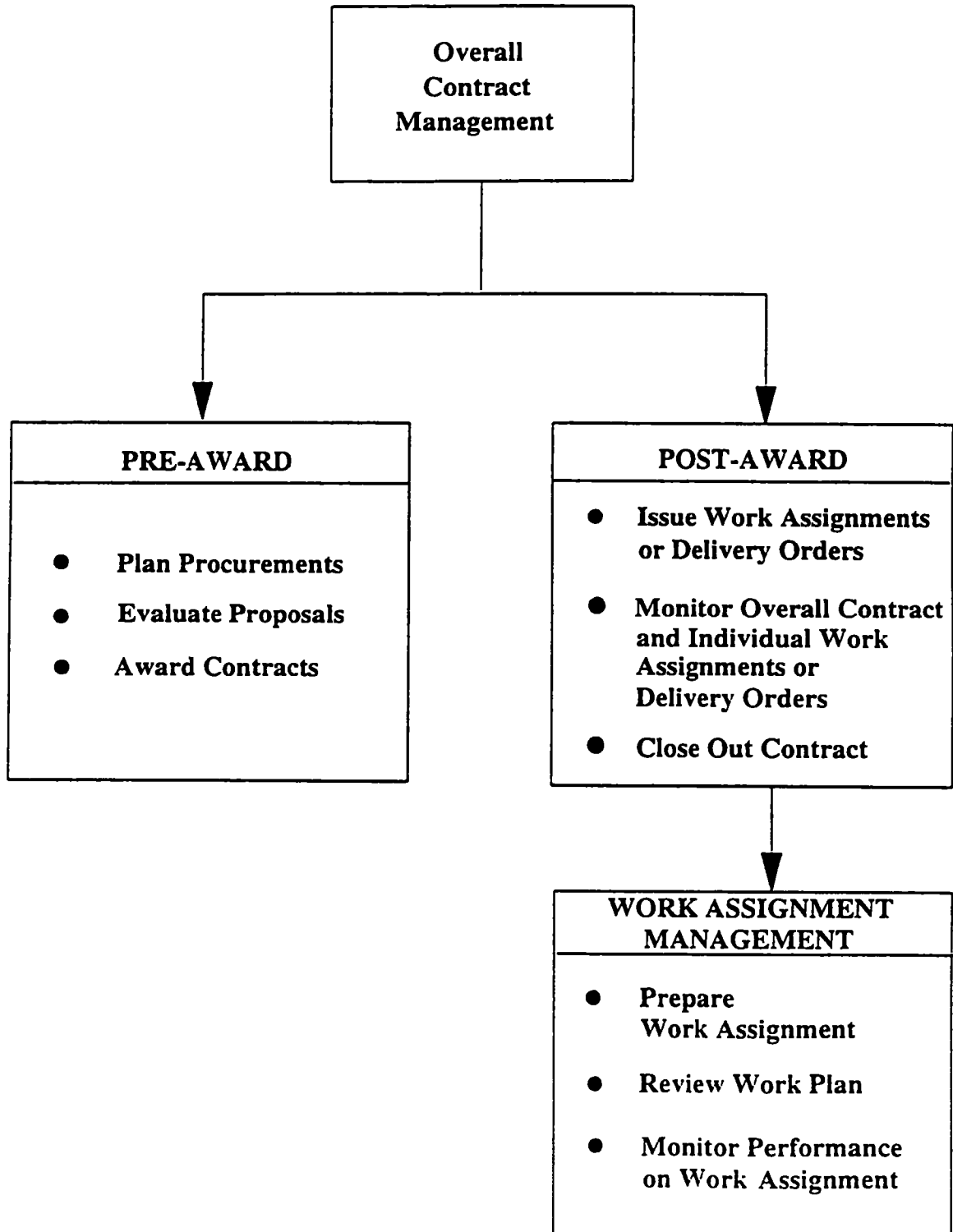
#### **(2) The Post-Award Process**

The **post-award** (contract administration) process consists of the activities in administering the overall contract and resulting work assignments, delivery orders or technical directives. The activities performed in overall contract administration are listed below:

- Establish contract file

## Exhibit 2-1

### CONTRACT MANAGEMENT PROCESS



- Hold post-award orientation meeting
- Issue work assignments or delivery orders
- Perform technical project monitoring
- Perform financial monitoring
- Evaluate Contractor performance
- Process modifications and amendments
- Perform property administration
- Resolve disputes and claims
- Close out contract
- Perform audits as required

Both the Project Officer and the Work Assignment Manager (or Delivery Order Project Officer for fixed rate contracts<sup>1</sup>) are heavily involved in contract administration.

## **2. The Work Assignment Management Process**

Work assignments or delivery/task orders are the vehicles used to initiate and perform work under most EPA contracts. As shown in Exhibit 2-1, work assignment management is a subset of the contract administration process. It includes the majority of tasks involved in contract administration; the focus is, however, on planning and managing an individual work assignment instead of managing an overall contract. An individual contract can have in excess of 50 active work assignments at any given time. Exhibit 2-2 illustrates the work assignment management process. The WAM has the primary responsibility for performing these tasks. A brief description of these tasks follows:

### **(1) Preparing the Work Assignment Package**

The task involves:

- Planning the work assignment
- Writing the statement of work
- Identifying and documenting quality assurance requirements
- Developing the independent Government cost estimate
- Preparing and assembling the required forms and documents
- Obtaining the required approvals.

The primary objective of this task is to adequately define the work to be performed by the Contractor. What constitutes "adequate" definition? The work to be performed needs to be defined in sufficient detail such that: (1) the Contractor can prepare a responsive work plan; (2) the Government has a sound basis for monitoring Contractor performance; and (3) the Contractor can proceed without extensive direction from the Government.

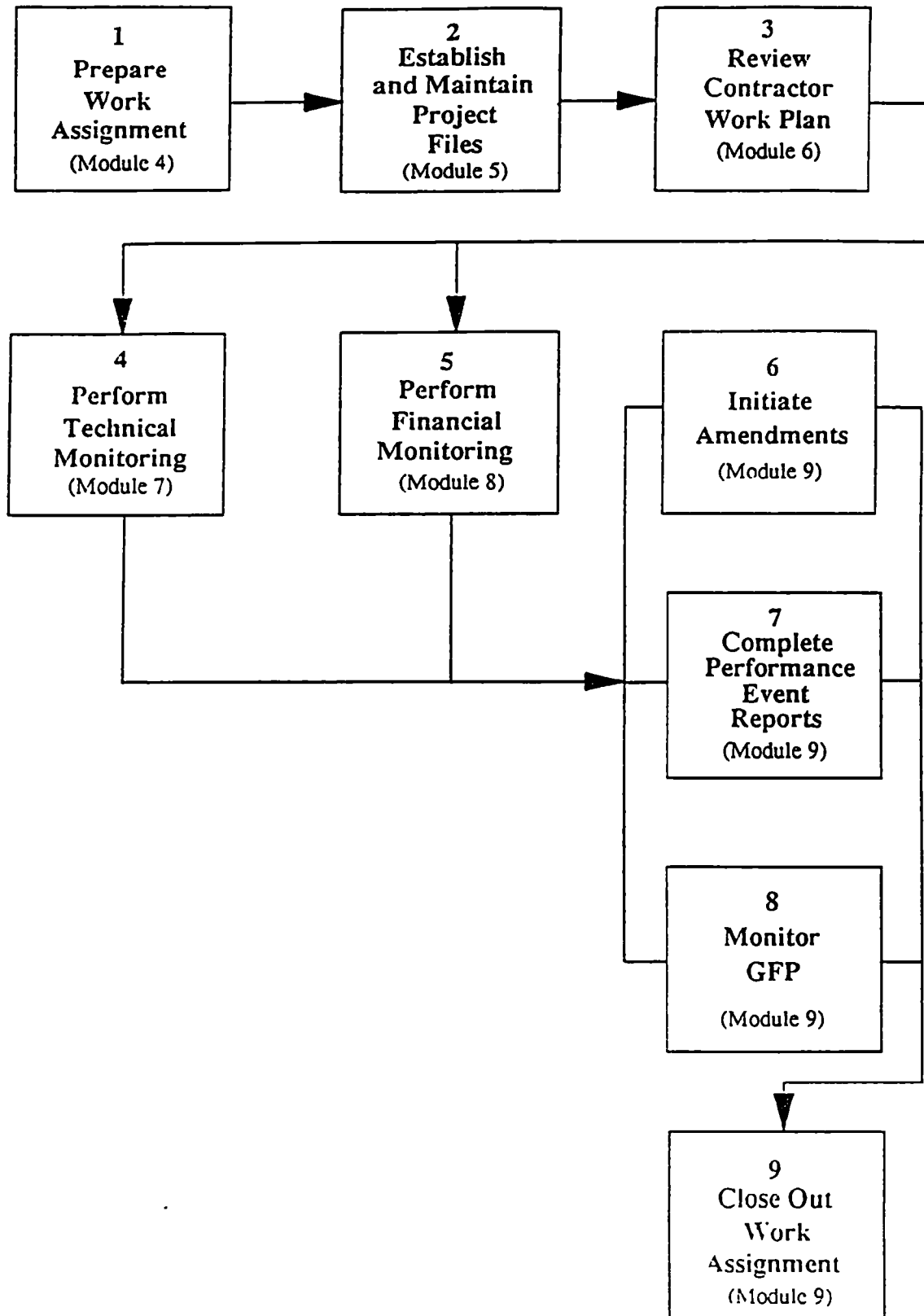
Module 4 describes this task in further detail.

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<sup>1</sup> A detailed discussion of the various types of contracts is presented in Module 4, Section F.

Exhibit 2-2

THE WORK ASSIGNMENT MANAGEMENT PROCESS



## **(2) Establishing and Maintaining Project Files**

The task involves:

- Selecting a filing plan
- Maintaining project files
- Disposing of project files.

The primary objectives of this task are threefold: (1) to support ongoing technical and financial monitoring, (2) to establish and maintain an audit trail for the work assignment, and (3) to assist in responding to inquiries.

The audit trail not only documents the course of the work assignment, but also protects the interests of the Government and the WAM. Module 5 describes this task in more detail.

## **(3) Reviewing the Contractor Workplan**

The task involves:

- Reviewing the Contractor's technical plan to determine if the Contractor's understanding of the requirement and approach are consistent with the Statement of Work of the work assignment.
- Reviewing the Contractor's cost proposal to determine if it falls within the Government's cost-estimate and is realistic.
- Assisting the CO with negotiating changes to the Contractor's work plan and cost proposal, as appropriate, to help accomplish the required work within the time and budget constraints.

The final result of this task is an approved work plan. Module 6 discusses this task in more detail.

## **(4) Performing Technical Monitoring**

This task involves:

- Providing appropriate technical direction to the Contractor
- Monitoring the Contractor's progress through review of technical progress reports and deliverables, meetings and other communications
- Monitoring compliance with quality assurance requirements
- Identifying technical problems and determining corrective actions.

The objectives of this task are to ensure that the project stays on track and that the deliverables meet the Government's needs. Module 7 describes this task in more detail.

## **(5) Performing Financial Monitoring**

This task involves:

- Reviewing Contractor invoices
- Reviewing the financial portion of monthly progress reports and other special financial reports
- Forecasting carryover funds
- Identifying financial problems and determining corrective actions

The objectives of this task are to ensure that charges are reasonable in regard to the work performed, and that sufficient funds are available to accomplish the work. Module 8 describes this task in further detail.

## **(6) Other Work Assignment Management Tasks**

Additional work assignment management tasks, which are addressed in Module 9, include:

- Amending a work assignment
- Completing performance event reports
- Monitoring the use of Government Furnished Property (GFP)
- Closing out a work assignment.

Amending the work assignment revises the official specification (tasks, schedules or deliverables) for the Contractor. This is important to support a complete audit trail for the work assignment by ensuring that the work performed and products delivered match the requirements.

Completing a performance event report applies only to cost-plus- award-fee (CPAF) contracts. The WAM completes performance event reports for individual work assignments utilizing evaluation criteria and a schedule established in the contract. The Evaluation Coordinator (usually the Project Officer) compiles individual performance event reports to assist in determining the award fee for the Contractor for the period. This process provides motivation and feedback to the Contractor on performance.

Monitoring GFP applies only to those work assignments in which a Contractor must use Government property or equipment. The WAM and Project Officer are responsible for determining when GFP is required and ensuring that its use is in accordance with the requirements of the work assignment. The WAM and Project Officer coordinate with the Contracting Officer and EPA property management personnel in this task.

Although the EPA Contracting Offices do not currently require formal "close out" of individual work assignments, there are certain administrative tasks which the WAM and Project Officer should perform to document the completion of the work assignment. These include ensuring that all deliverables have been received, transferring any unused funds budgeted for the work assignment, and ensuring that work assignment files are complete.

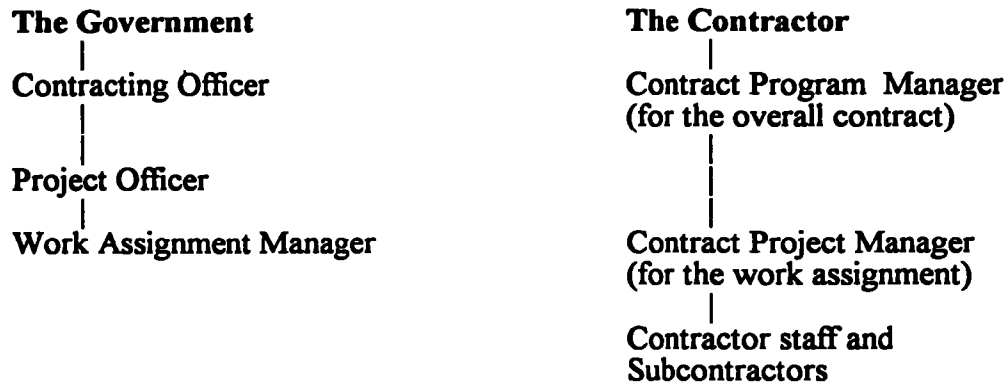
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## **D. ROLES AND RESPONSIBILITIES**

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As indicated earlier, the WAM has the primary responsibility for managing the work assignment for the Government. However, other individuals also play key roles. The key players for the Government, which issues and monitors the work assignment, and the Contractor, which delivers the services, are listed below. The lines indicate the primary channels of communication.

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A description of the roles of each of these parties follows. Exhibit 2-3 compares and contrasts the roles of the WAM, the Project Officer and the Contracting Officer. While there are different roles, it should be emphasized that the WAM, PO and CO participate as a team in the management of the work assignment, with the WAM as the first line of management.

### **1. The Work Assignment Manager**

The WAM must be designated for each work assignment on EPA Form 1900-65A and formally appointed by the Contracting Officer in accordance with Office of Acquisition Management (OAM) training requirements. In order to be appointed the WAM must (1) complete the COR Mentor Program, and (2) complete a one-day refresher (recertification) course every three years. The WAM performs the following duties:

- **Plans individual work assignments**
  - Writes the statement of work
  - Develops the Government's cost estimate
  - Prepares other parts of the work assignment package (responsibility for this function may be divided between the WAM and the Project Officer in some laboratories and offices)
- **Determines QA requirements for the work assignment**
  - Completes Quality Assurance Review form, as appropriate
  - Determines data quality objectives and QA reporting requirements
- **Serves as day to day technical point of contact (POC) for the Contractor's project manager for the work assignment**
- **Recommends actions and provides input to the Project Officer**
  - Recommends approval/disapproval of work plans, invoices,<sup>2</sup> and deliverables
  - Identifies the need for amendments
  - Completes performance event reports for CPAF contracts
  - Forecasts the need for carryover funds
  - Notifies Project Officer of performance problems.
- **Monitors technical and financial performance of the Contractor**
  - Provides technical direction
  - Reviews technical/financial progress reports
  - Reviews invoices
  - Conducts progress meetings and on-site inspections, as appropriate
  - Reviews deliverables
- **Monitors compliance of the Contractor with quality assurance requirements (on projects involving environmental data collection)**
  - Coordinates with the Quality Assurance Manager to perform internal audits on implementation of the Quality Assurance Project Plan
  - Reviews audit reports prepared by external QA Contractors

- Coordinates with the Quality Assurance Manager on review of quality control evaluation reports and uses the results as criteria for Government's acceptance of deliverables
- Maintains appropriate documentation of the work assignment

The WAM does not have the authority to obligate Government funds. Note that previously, WAMs were not authorized to issue technical direction. The Office of Acquisition Management (OAM) developed a class deviation to the standard EPAAR technical direction clause to allow the Contracting Officer to authorize individuals in addition to the Project Officer such as WAMs to formally provide technical direction.

In accordance with Chapter 7 of the *Contracts Management Manual* an Alternate Work Assignment Manager may be designated. The Alternate WAM must be appointed by the CO and meet the same training requirements as the WAM. Alternates are authorized to act in the absence of the WAM, such as when the WAM is on leave and travel.

## **2. Project Officer (PO)**

The PO must also be appointed by the CO through EPA Form 1900-65A. The PO is the contracting officer's representative (COR) for the overall contract.

The PO:

- Serves as primary technical point of contact with the contractor's overall program manager for the contract
- Develops forecast of contract use (hours and costs) and plans for overall contract administration
- Facilitates interaction between the contractor and the WAM
- Reviews the management functions of the WAM
  - Reviews and edits work assignment package for submission to the CO
  - Based on the input from the WAM and his/her own review, recommends approval/disapproval of the contractor's work plan to the CO
  - Approves the Quality Assurance Review form and, if applicable, the Quality Assurance Project Plan in conjunction with the Quality Assurance Manager
  - Certifies and submits invoices for payment after review by the WAM
- Ensures prompt payment of invoices
- Monitors overall contract performance
  - Monitors hours and costs against contract ceilings

- Compiles and summarizes performance event reports and other information for use in determining award fees on CPAF contracts
- Informs Contractor program manager and Contracting Officer of performance issues and problems
- Identifies the need for and requests modifications to the contract
- Ensures that approval of subcontractors and consultants is obtained
- Prepares reports as required regarding contract activities
- Maintains overall contract files

The PO does not have the authority to obligate Government funds. Also, note that if the contract does not have work assignments or delivery orders, the PO performs many of the functions listed for the WAM.

### **3. Contracting Officer (CO)**

The CO is the only person who can:

- Sign a contract
- Obligate Government funds
- Issue work assignments or delivery orders
- Modify or amend the terms of a contract or work assignment
- Terminate a contract or work assignment
- Issue a stop-work order

The CO relies on the PO to keep him or her informed on the progress and potential problems with work assignments issued under the contract.

Although the responsibility for acceptance of supplies and services (deliverables) is vested in the C O, the function is usually delegated to the PO under the "Inspection and Acceptance" clause of the contract (EP52.246-100).

Occasionally, the C O will delegate certain other functions to the P O, such as approving work plans. Other duties of the C O include:

- Monitoring overall contract expenditures (ceilings on hours and costs)
- Presenting award fee recommendations on CPAF contracts to the Fee Determination Official
- Issuing modifications notifying the contractor of the amount of award fee on CPAF contracts

#### **4. Work Assignment Manager's Supervisor**

The WAM's Supervisor is typically the branch, staff or section chief of the organizational unit to which the WAM is assigned. This individual, therefore, has interest in and is responsible for the products or services produced by the work assignment. The WAM's Supervisor:

- Ensures that the work assignment fits within the scope of the branch, staff or section's program and priorities
- Approves work assignments and Procurement Requests as a management control
- Ensures that the WAM is properly trained
- Ensures that the WAM's performance standards reflect contract management duties
- May assist WAM in performing review of deliverables and progress on the work assignment
- Ensures that the final product of the work assignment meets required quality assurance standards.

Although the WAM's supervisor has responsibility for the quality of the end products of the work assignment, he or she has no authority to deal directly with the Contractor.

#### **5. Contractor**

The contractor:

- Provides the services and products described in the statement of work
- Communicates with the WAM, P O and C O to discuss requirements, progress and issues
- Prepares and submits periodic technical and financial progress reports
- Submits invoices for work performed
- Advises the CO
- Submits other reports and notices required by the contract, such as those dealing with Limitation of Cost and Government-Furnished Property (GFP)
- Notifies the Government (WAM, PO and C O) of performance issues associated with the work assignment or overall contract.

The contractor's **Program Manager** is responsible for management of the overall contract. The Program Manager may directly manage all individual work assignments, or on large contracts, may delegate management of some work

assignments to other staff members. The Program Manager interacts with the EPA PO and, in some cases, the C O. In other cases the contractor may designate a corporate executive or contract administrator for primary communication with the CO.

The contractor's project manager for the individual work assignment provides first level supervision for Contractor staff working on the project. The project manager interacts with the EPA COR in managing the project.

The contractor staff are employees of the Contractor. As such, they have no reporting relationship to any Government employees. Their direction and supervision must come from within the company for which they work.

Subcontractors have a legal relationship with the prime contractor and are responsible to the prime Contractor for meeting project requirements. Subcontractors have no legal relationship or "privity of contract" with the Government.

There may be many similarities between Government employees and contractor staff, particularly if they are engaged in the same type of work. They may have similar education backgrounds, work experience, and interests in the environment. Still, there are some significant differences.

The Government's goal in issuing and managing a work assignment is to accomplish a particular objective and project at an acceptable cost to the Government. The contractor's goal is also to successfully perform the work but, in addition, to achieve a certain financial return on the work. Through successful performance on work assignments, the contractor hopes to build its expertise and reputation in order to secure future work.

## EXHIBIT 2 - 3

### ROLES AND RESPONSIBILITIES MATRIX

TASK	WORK ASSIGNMENT MANAGER	PROJECT OFFICER	CONTRACTING OFFICER
1. Prepare Work Assignment	1.a. Plan work b. Prepare SOW c. Develop cost estimate d. Prepare WA form and other forms (e.g., QAR form) e. Obtain necessary approvals	1.a. Review/edit SOW b. Review cost estimate c. Prepare WAM designation form and PR (as necessary) d. Add accounting and other data e. Assemble WA package and submit to CO	1 a. Review WA package b. Issue work assignment c. Obligate funds and issue contract modification (as necessary)
2. Establish and Maintain Project Files	2.a. Acquire documents from PO b. Set up files	2.a. Provide documents to WAM b. Set up files; coordinate responsibilities for record-keeping	2 a. Provide documents to PO b. Set up files; coordinate responsibilities for record-keeping
3. Review Contractor Work Plan	3.a. Review Work Plan b. Recommend approval/disapproval to PO c. Negotiate changes with Contractor	3.a. Review work plan b. Recommend approval/disapproval to CO <sup>3</sup> c. Negotiate changes with contractor	3.a. Formally approve work plan <sup>3</sup> b. Notify Contractor of approval
4. Perform Technical Monitoring	4.a. Review progress reports b. Review deliverables; recommend approval/disapproval to PO c. Provide technical direction d. Conduct progress meetings with Contractor e. Identify and discuss problems with Contractor; alert PO	4.a. Review progress reports b. Approve deliverables c. Provide technical direction d. Discuss problems with WAM and Contractor; alert CO	4.a. Discuss problems with PO and Contractor as necessary

<sup>3</sup> In some contracts, the Contracting Officer has delegated authority for approving a Contractor work plan to the Project Officer. In such cases the Project Officer will notify the Contractor of approval.

**EXHIBIT 2 - 3 (continued)**

<b>TASK</b>	<b>WORK ASSIGNMENT MANAGER</b>	<b>PROJECT OFFICER</b>	<b>CONTRACTING OFFICER</b>
5. Perform Financial Monitoring	<ul style="list-style-type: none"> <li>5.a. Review financial progress reports for WA</li> <li>b. Review invoices; identify questionable items, recommend approval/ disapproval to PO</li> <li>c. Identify and discuss need for corrective actions with Contractor and PO</li> <li>d. Forecast carryover funds</li> </ul>	<ul style="list-style-type: none"> <li>5.a. Review financial progress reports for WA and overall contract (ceilings on hours and costs)</li> <li>b. Approve or take exception to invoices; indicate account numbers and submit to FMC-RTP</li> <li>c. Resolve questionable charges with Contractor</li> <li>d. Identify and discuss need for corrective actions with WAM and Contractor</li> <li>e. Submit request for carryover funds to CO</li> </ul>	<ul style="list-style-type: none"> <li>5.a. Review financial progress reports for overall contract</li> <li>b. Review all exceptions to invoices; determine final payment after reviewing all data</li> <li>c. Discuss need for corrective actions as necessary with PO and Contractor</li> <li>d. Transfer carryover funds to contract for next fiscal year</li> </ul>
6. Initiate Amendments and Modifications	<ul style="list-style-type: none"> <li>6.a. Determine need for amendment to WA (e.g., increase hours, add tasks or deliverables, change schedule)</li> </ul>	<ul style="list-style-type: none"> <li>6.a. Evaluate need for amendment; submit request to CO</li> <li>b. Determine need for modification to overall contract (e.g., addition of funds, change in key personnel); submit request to CO</li> </ul>	<ul style="list-style-type: none"> <li>6.a. Review amendment request; issue amendment</li> <li>b. Review modification request; issue modification adding dollars to overall contract or other changes</li> </ul>
7. Prepare Performance Event Report (PER)	<ul style="list-style-type: none"> <li>7.a. Complete Performance Event Report evaluating Contractor performance for individual WA</li> </ul>	<ul style="list-style-type: none"> <li>7.a. Compile Performance Event Reports and prepare summary for Performance Evaluation Board (PEB)</li> </ul>	<ul style="list-style-type: none"> <li>7.a. Determine award fee pool</li> <li>b. Present PEB report to Fee Determination Official</li> <li>c. Notify Contractor of award fee amount through contract modification</li> </ul>

**EXHIBIT 2 - 3 (continued)**

<b>TASK</b>	<b>WORK ASSIGNMENT MANAGER</b>	<b>PROJECT OFFICER</b>	<b>CONTRACTING OFFICER</b>
8. Monitor GFP	8.a. Prepare Justification of Need b. Ensure that equipment is being used in accordance with terms of WA c. Ensure return of GFP; notify PO d. Develop procedures for shared equipment	8.a. Review Justification of Need b. Ensure that equipment is being used in accordance with terms of WA and contract c. Coordinate with Contractor, CO and Property Management personnel on changes to GFP ( <u>e.g.</u> , return or exchange of GFP) d. Develop procedures for shared equipment	8.a. Issue contract modification, authorizing GFP 8 b. Coordinate with Contractor, PO and Property Management personnel in processing changes to GFP
9. Close Out Work Assignment	9.a. Determine need to closeout WA ( <u>e.g.</u> , all tasks and deliverables completed); alert PO b. Initiate new WA to conclude activities begun under WA from a prior year, as necessary	9.a. Ensure all tasks and deliverables have been completed b. Transfer remaining funds as necessary c. Initiate new WA to conclude activities begun under a WA from a previous year, as necessary	9.a. Process new work assignment to conclude activities begun under a WA from a prior year, as necessary

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## **E. WAM PERFORMANCE STANDARDS**

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The *EPA Contracts Management Manual* (Chapter 7) specifies that the performance standards of CORs reflect the contract management duties assigned to the individuals. Model performance standards are provided below. The model standards presented below address:

- Compliance with Agency contract management policy
- Performance of post-award tasks associated with issuing work, monitoring contractor performance and reviewing vouchers and invoices

These standards apply to Project Officers, Work Assignment Managers and Delivery Order Project Officers (DOPOs). Standards have also been developed for pre-award tasks; however, these have not been included here, since they are primarily applicable to Project Officers only. The model performance standards may be tailored to the duties of the individual WAM and the practices of the particular program office. AllCORs must address performance of these functions in their annual performance agreements.

### **CONTRACT MANAGEMENT MODEL PERFORMANCE STANDARDS**

**Critical Job Element:** Provide oversight and technical direction for contractor performance to ensure receipt of products and services purchased.

#### **1. Compliance with Agency Contract Management Policy**

##### **Outstanding**

Accurately and thoroughly interprets and applies Agency contract management policies and Federal ethics regulations. Ensures that all services are appropriate for performance by a Contractor, avoiding even the appearance of an impropriety. Reviews and updates control measures for on-site Contractors to ensure the proper safeguarding and handling of confidential business information. Promptly identifies any actual, potential or apparent conflicts of interest and consistently takes the appropriate action to avoid, neutralize, or mitigate instances where a conflict of interest might occur. Any questionable contracting activities are immediately brought to the attention of the appropriate management officials.

##### **Fully Successful**

Adheres to Agency contract management policies and procedures. Ensures that inherently governmental functions are not performed by contractors. Establishes,

implements and maintains appropriate control measures for on-site Contractors and procedures to ensure the proper safeguarding and handling of confidential business information. Does not engage in prohibited activities, i.e., directed subcontracting, directed hiring, or personal services situations. Performs all contract management duties in accordance with Federal ethics regulations. Identifies any actual, potential or apparent conflicts of interest. Takes appropriate action to avoid, neutralize, or mitigate such conflicts of interests.

#### **Unsatisfactory**

Fails to follow the Agency's contract management policies or the Federal ethics regulations. Engages in prohibited contracting procedures or does not take appropriate actions to avoid, neutralize, or mitigate known conflicts of interests or prohibited contracting activities. Fails to establish, implement and maintain appropriate control measures for on-site Contractors and procedures to ensure the proper safeguarding and handling of confidential business information.

## **2. Issuance of Work**

#### **Outstanding**

Demonstrates an exceptional level of technical expertise and precision in preparation of a written scope of work. Objectives are always clearly and accurately described and always fit within the contract statement of work. Independent cost estimates are meticulously prepared, providing accurate and comprehensive cost data. Consistently meets or exceeds deadlines. Is scrupulous in ensuring strict compliance with all Agency policies and regulations regarding work issuance, such as the Agency's policy on multiple appropriations. Work is rarely, if ever, returned for revision by the Contracting Officer.

#### **Fully Successful**

Prepares a well-written scope of work describing objectives to be accomplished which fit within the basic contract statement of work. Prepares an accurate independent government cost estimate. EPA-prohibited contract activities are not requested. Demonstrates a well-thought out and efficiently planned approach as evidenced by timely decision-making and consideration of risks and benefits. Ensures that the proper accounting/appropriation data has been identified and that sufficient funds have been secured to fund the requirement. Ensures compliance with the Agency's policy on multiple appropriations.

#### **Unsatisfactory**

Prepares a poorly written scope of work that does not describe all the objectives to be accomplished and which sometimes fails to fit within the contract statement of work. Work products are submitted late, not sufficiently relevant, in incorrect format, reflect poor scheduling, and frequently require major revision after review of Contracting Officer. Fails to ensure identification of proper accounting/ appropriation data or to secure sufficient funds for the requirement. Fails to ensure

compliance with the Agency's policy on multiple appropriations. Independent cost estimates are not performed or are inaccurate, incomplete, and fail to conform to Agency guidelines.

### **3. Monitoring Contractor Performance/Products**

#### **Outstanding**

Demonstrates exceptional skill in handling complicated or controversial issues while performing monitoring duties. Monitors Contractor activities so closely that deadlines are rarely missed and work meets the expectations outlined in the work assignment. Technical guidance provided to the Contractor is exceptionally clear and accurate and rarely is there a misunderstanding on the requirements to be fulfilled. Promptly advises the Contracting Officer of performance problems. Information is consistently communicated through the proper channels to ensure that the required management levels are kept informed. Contingency plans are established to handle potential problems and to ensure strict adherence to contract management plans. Establishes and maintains exceptionally reliable contract records.

#### **Fully Successful**

Evaluates Contractor products/deliverables to ensure conformance with statement of work. Closely monitors Contractor activities to control costs and to ensure completion of work by established deadlines. Keeps the Contracting Officer advised of any performance problems but handles routine problems with a minimum of supervision. Written technical direction is provided to the Contractor as necessary with a copy to the Contracting Officer and is communicated through the proper channels. Technical guidance is clearly written to convey the appropriate information. Sensitive activities are monitored in accordance with Agency policies. Ensures that the requirements of contract management plans are followed. Establishes and maintains effective management records to track communications with the Contractor and the work or cost status of the delivery orders or work assignments.

#### **Unsatisfactory**

Fails to ensure that the Contractor products/deliverables conform with statement of work. Allows Contractor activities which are outside the statement of work and fails to maintain adequate control over costs. Does not keep the Contracting Officer advised of Contractor performance problems or requires ongoing assistance to resolve routine contracting problems. Fails to provide adequate written technical direction to the Contractor, e.g., written guidance is untimely and/or does not convey needed information because it is either incomplete or inaccurate. Fails to comply with Agency policies or the requirements of contract management plans.

#### **4. Voucher Review and Payment Certification**

##### **Outstanding**

Conducts thorough and accurate reviews of vouchers submitted by the Contractor. Consistently makes appropriate determinations on voucher payments, i.e., takes exception to any costs not supported by the effort expended by the Contractor. Payments are consistently processed before deadlines to ensure compliance with the Prompt Payment Act. Records on payments and documentation of charges are exceptionally maintained with accurate and up-to-date information. Records can be easily retrieved to respond to ad hoc requests or generate reports.

##### **Fully Successful**

Reviews all vouchers submitted by the Contractor for payment against the appropriate work assignment. Ensures that amount of voucher is commensurate with the effort expended by the Contractor. Suspends, or recommends disallowance or suspension of unsupported or clearly unallowable charges. Maintains adequate records of payments including documentation of disallowed or suspended charges. All payments are processed timely to ensure compliance with the Prompt Payment Act.

##### **Unsatisfactory**

Recommends or allows payment of unsupported charges. Fails to review vouchers in timely fashion causing processing delays and late payments which fail to meet the requirements of the Prompt Payment Act. Payment records and documentation of charges against the contract are not accurately or adequately maintained, e.g., is unable to provide documentation of disallowed or suspended charges.

## EXERCISE - ROLES AND RESPONSIBILITIES

Using a scale of low (L), medium (M), and high (H), please indicate your view of the relative level of involvement of the WAM, PO and CO in the following work assignment management tasks.

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<u>Task</u>	<u>WAM</u>	<u>PO</u>	<u>CO</u>
1. Developing Government cost estimate			
2. Preparing Procurement Request documents			
3. Preparing request for use of multiple appropriations			
4. Reviewing/negotiating Contractor work plans, including cost estimates			
5. Reviewing invoices and other financial reports to determine reasonableness of Contractor charges			
6. Meeting with the Contractor to review technical progress			
7. Reviewing performance problems with Contractor			
8. Approving use of consultants and subcontractors			
9. Maintaining work assignment files			
10. Forecasting carryover funds			

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## **MODULE 3: PERVASIVE ISSUES AND STANDARDS OF CONDUCT**

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### **A. INTRODUCTION**

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This Module introduces the issues of Personal Services, Inherently Governmental Functions, and Conflict of Interest. Because of the sensitivity of these issues, and because they impact almost all of the WAM performance tasks, they are called "pervasive" issues. Some of these involve activities which are explicitly prohibited by Federal regulations. Others involve situations which may give the appearance though not necessarily the fact of inappropriate actions.

Various Office of Inspector General (OIG) reviews have focused on these issues.

The sections which follow describe the background and vulnerabilities associated with each issue and discuss ways to avoid or mitigate these problems. Some of the items discussed are not under the direct control of the WAM, but refer to actions the Project Officer or other laboratory/center/office management personnel need to take. However, the full range of topics is presented to increase the awareness and sensitivity of the WAM to the potential problems.

Following the discussion of pervasive issues, the Module describes various standards of ethical conduct that apply to Work Assignment Managers. These deal with personal conflicts of interest, gratuities, confidential business information, disclosure of procurement information and post-employment restrictions.

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### **B. OBJECTIVES**

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At the completion of this Module, you will be able to:

- Describe potential improprieties and vulnerabilities associated with personal services, inherently governmental functions, and conflict of interest.
- Identify ways to avoid or mitigate contracting improprieties and vulnerabilities associated with pervasive issues.
- Describe standards of ethical conduct that pertain to Work Assignment Managers.

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## **C. PERSONAL SERVICES**

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Personal services contracts are generally prohibited under the Federal Acquisition Regulation (FAR). Technically, Federal Government agencies may not award personal services contracts unless specifically authorized by statute. EPA currently does not have such authority. A personal services contract results when the Government assumes the right to instruct, supervise or control a Contractor employee in how he/she performs the work. FAR 37.104(d) and EPA Order 1900.1A specify six elements which can be used as a guide in assessing whether or not a contract involves personal services. These are:

- Performance is on-site
- Principal tools and equipment are furnished by the Government
- Services are applied directly in support of the laboratory or office's mission
- Comparable services meeting comparable needs are performed by Federal employees
- Services are required for a period of more than one year
- The inherent nature of the services requires the direct or indirect supervision of Contractor employees.

Nearly all EPA on-site contracts contain the first five elements. There is nothing inherently illegal in these elements; the question of personal services generally turns on the sixth element - direct or indirect supervision of Contractor employees. Thus, off-site contracts can also involve personal services if the sixth element is present.

The importance of this issue centers around the fact that personal services contracts violate the laws and regulations pertaining to the hiring, retaining and paying of Federal employees. For example, personal services contracts may give the appearance of violating Federal personnel ceilings. Unauthorized supervision of Contractor employees is a serious matter, and could result in disciplinary action for the EPA employee involved in the unauthorized act.

Some examples of personal services situations include the following:

- EPA staff interview prospective Contractor employees
- EPA staff direct the Contractor to hire specific individuals or to use particular subcontractors or consultants

- EPA staff who are unauthorized to provide technical direction, issue instructions to the Contractor
- EPA staff give assignments directly to Contractor staff, bypassing the Contractor's Project Manager
- EPA staff tell the Contractor how to accomplish the work.

The WAM and other Government employees can take a number of actions beginning with the planning of the work assignment to prevent actual or apparent personal services arrangements. These actions can be grouped into five areas:

- Supervision/direction of Contractors
- Identification of Contractor staff
- Shared office space and equipment
- EPA involvement in Contractor staff selection
- Provision and management of administrative support services.

Exhibit 3-1 presents a checklist for actions the WAM, Project Officer and other Government employees can use to avoid the existence of or appearance of personal services. This was developed based on the results of the Acquisition Management Improvement Reviews and on the provisions of EPA Order 1900.1A.

## **Exhibit 3-1**

### **CHECKLIST FOR AVOIDING THE EXISTENCE OR APPEARANCE OF PERSONAL SERVICES**

#### **A. Supervision/Direction of Contractors**

1. Work assignments are specific, completion oriented, with clearly defined scopes of work and deliverables. They do not simply reiterate the language of the statement of work of the overall contract. ( )
2. Contractor work plans are detailed, indicating how the work would be accomplished. ( )
3. Staff assigned to monitor work assignments are formally certified as WAMs. ( )
4. Technical direction is given to the Contractor only by the Project Officer or other authorized individuals (e.g., the WAM). ( )
5. Technical direction given verbally is subsequently documented. ( )
6. Technical direction is given only to the Contractor Project Manager or other authorized point(s) of contact. ( )
7. Where technical directives are used in lieu of work assignments, they require that work plans be submitted. Such work plans are forwarded to the Contracting Office. ( )
8. Contractor staff do not serve as members of EPA committees. ( )
9. Contractor staff do not regularly attend EPA planning and staff meetings; attendance is by invitation only and for specific purposes, such as to give a presentation. ( )
10. Contractor staff do not "represent" EPA organizations or staff. ( )
11. Contractor and EPA staff do not serve on mixed "science teams." ( )
12. EPA staff do not request Contractor staff to purchase supplies or services for use by EPA employees, unless specifically required by the contract. ( )
13. EPA staff prepare appropriate documentation on meetings, trips and telephone conversations related to the contract.

#### **B. Identification of Contractor Staff**

1. Contractor and EPA staff wear their badges visibly, clearly identifying their organization. ( )
2. Contractor staff identify their organization when they answer the phone at EPA sites. ( )
3. Contractor staff identify their organization when they place calls to an EPA office or laboratory or other establishment ( )

**when conducting business related to the contract.**

### **Exhibit 3-1 (continued)**

#### **C. Shared Office Space and Equipment**

1. Contractor office space is segregated from EPA office space and is properly labeled. ( )
2. To the extent practical, Contractor and EPA staff do not use shared laboratory space or equipment in the same time period. Schedules and priorities are established for the use of common space and equipment. ( )
3. Contractor staff do not directly assist ORD principal investigators in conducting research. (An example would be assigning specific technicians to support specific ORD researchers.) ( )

#### **D. EPA Involvement in Contractor Staff Selection and Appraisal**

1. EPA staff do not forward resumes received by EPA to the Contractor for potential employment ( )
2. EPA staff do not make hiring, firing or promotion recommendations to the Contractor. ( )
3. EPA staff do not notify the Contractor of cash awards to EPA personnel. ( )
4. EPA staff do not provide feedback to the Contractor on the performance of individual Contractor employees. ( )
5. The award fee process is the primary vehicle used to provide feedback to the Contractor on CPAF contracts. On other contracts, feedback is given by the Project Officer to the Contractor Project Manager, focusing on the quality of services and deliverables, not individual employees. ( )
6. EPA staff do not direct the Contractor to use particular staff in conducting the work. ( )
7. EPA staff do not direct the Contractor to retain or to use a particular subcontractor or consultant in conducting the work. ( )
8. EPA staff do not hold open seminars at which prospective Contractor researchers give presentations as a basis for hiring. EPA staff do not provide feedback to Contractor on such candidates. ( )
9. EPA staff do not direct the Contractor to hire in a holding pattern, candidates for Agency positions, pending completion of competitive civil service procedures. ( )

#### **E. Provision of Administrative Support Services**

1. EPA staff do not give administrative assignments (e.g., typing, editing) directly to individual Contractor support staff. ( )
2. Work request forms are used for requesting administrative support services from the Contractor. ( )
3. Written protocols are established for the use of administrative ( )

**support services.**

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## **D. INHERENTLY GOVERNMENTAL FUNCTIONS**

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FAR 37.102(b) states that in no event may a contract be awarded for the performance of an inherently governmental function. OMB circular A-76 defines inherently governmental functions as those "being so intimately related to the public interest as to mandate performance only by Federal employees."

EPA Order 1900.2 established Agency policy that prohibits contracting for certain activities at EPA and implements special management and control measures when contracting for certain sensitive and vulnerable services. The *Contracts Management Manual* (CMM), Chapter 2, provides further explanation of these types of activities as well as approval requirements for sensitive and vulnerable services.

For contracts exceeding \$25,000, a justification for sensitive and/or vulnerable services must be prepared and approved by the Senior Resource Official (SRO), and a Division Director in the Office of Acquisition Management.

Note that for contracts of at least \$5 million but less than \$25 million, the justification for sensitive and/or vulnerable services must be approved by the Director, OAM. For contracts \$25 million or above, approval by the Deputy Assistant Administrator/OARM is required.

Supplementing the provisions of the FAR, EPA Order 1900.2, and Chapter 2 of the CMM, the Office of Federal Procurement Policy (OFPP) issued Policy Letter 92-1 on inherently governmental functions that applies Government-wide. A discussion of the Policy Letter and its relationship to EPA Order 1900.2 is presented in Section 4 below. Initially, the requirements of the EPA Order are described.

### **1. Prohibited Activities**

There are 17 prohibited activities under EPA Order 1900.2. Examples include

- Interviewing or hiring individuals for employment at EPA
- Reviewing vouchers to determine cost reasonableness
- Preparing statements of work for work assignments, delivery orders, etc under a contract the Contractor is performing or may perform
- Authorizing a Contractor to represent itself as EPA
- Actually preparing Congressional testimony
- Actually determining Agency policy
- Preparing responses to Congressional correspondence on behalf of EPA

## **2. Sensitive Services Requiring Justification**

Services are considered "sensitive" if they may rise to the level of inherently governmental functions without adequate controls. Such services require justification and approval. **As indicated above, for contracts over \$25,000, the justification must be approved by the Senior Resource Official.** EPA Order 1900.2 and Chapter 2 of the CMM list 11 such activities. **Examples include:**

- Budget preparation or implementation support
- In-house evaluation of another Contractor's performance
- Strategic acquisition planning
- Regulation development support
- Reorganization and planning support

The justification must describe the type of work to be performed, why the work cannot be performed internally, and what will be done to ensure that Agency personnel remain accountable for and retain control over the Contractor's products. Other management controls included in the justification should identify appropriate contract clauses to ensure that the proposed Contractor services will not place EPA in a vulnerable position and will ensure that Government policy is not being created or unduly influenced by Contractors, and that Contractor personnel will not be assumed to be EPA employees. Examples of such clauses include those dealing with conflict of interest, confidential business information, and identification of Contractor employees.

The justification is usually prepared for the contract as a whole at the pre-award stage. However, if the justification is not provided at that time, or if the need for these activities occurs after the contract is awarded, then the justification would need to be obtained for an individual work assignment requiring these services.

## **3. Vulnerable Services Requiring Justification**

These are activities which, while less sensitive in terms of the potential for inherently governmental functions, require special control measures to prevent the establishment or appearance of personal services relationships. These activities require the same justification and approval as sensitive services. EPA Order 1900.2 and Chapter 2 of the CMM list four such activities. These include:

- Assistance by a Contractor in preparing responses to Freedom of Information Act (FOIA) requests
- Situations where Contractor and EPA staff share office space
- Situations where the Contractor has access to confidential business information (CBI) and/or any other sensitive information
- Situations where it can be assumed that the Contractor is EPA

#### **4. The OFPP Policy Letter on Inherently Governmental Functions**

The Office of Federal Procurement Policy (OFPP) issued Policy Letter 92-1, effective October 30, 1992, on inherently governmental functions. The provisions of this Policy Letter (which apply Government-wide) are similar to the requirements of EPA Order 1900.2. In any cases of perceived conflict between the two documents, EPA will apply the more restrictive limitation.

OFPP Policy Letter 92-1 describes two types of functions:

- Functions that are inherently governmental and must be performed only by Government employees
- Functions that may be contracted but so closely support Government employees in their performance of inherently governmental functions that the contract terms and performance require close scrutiny by Federal officials

The first category of functions (described in Appendix A of the Policy Letter) corresponds to the first category of EPA Order 1900.2. However, the Policy Letter lists two additional prohibited Contractor functions - direct conduct of criminal investigations, and determination of what Government property is to be disposed of and on what terms. Applying the more restrictive requirements, these functions should be added to the 17 prohibited activities in the EPA Order.

The functions in the second category (listed in Appendix B of the Policy Letter) are similar to functions in the second and third categories of EPA Order 1900.2, regarding sensitive and vulnerable services.

The Policy Letter describes potential management controls that should be employed when contracting for functions of this type. Supplementing the management controls described earlier, one additional management control described in the Policy Letter requires Contractors when submitting reports that contain recommendations to (1) explain and rank policy or action alternatives; (2) describe the procedures used to arrive at their recommendations; (3) summarize the substance of their deliberations; (4) report any dissenting views; and/or (5) otherwise make clear the methods and considerations upon which their recommendations are based.

The particular management controls selected should be targeted at the particular requirements of an individual contract. As indicated above, **proposed management controls must be included in the request for justification of sensitive and/or vulnerable services, as required by EPA Order 1900.2 and Chapter 2 of the CMM.**

#### **5. Summary - Actions the WAM Should Take**

To ensure compliance with the terms of EPA Order 1900.2, Chapter 2 of the CMM and OFPP Policy Letter 92-1, the WAM and other Government personnel should ensure that the following actions are taken:

- (1) The WAM and other Government personnel should review and thoroughly understand the provisions of the EPA Order, Chapter 2 of the CMM and the OFPP Policy Letter regarding the various categories of services:
  - Prohibited activities
  - Sensitive services requiring justification
  - Vulnerable services requiring justification.
- (2) Statements of Work for individual work assignments should be reviewed against the EPA Order, Chapter 2 of the CMM and the Policy Letter. SOWs must contain none of the **prohibited activities**.
- (3) For work assignments which constitute sensitive or vulnerable activities, the WAM and Project Officer should ensure that the required justification has been prepared and submitted to the SRO for approval. This would normally be done at the contract level in the pre-award stage.
- (4) Several activities in the **sensitive** category involve "management support" tasks. Examples include budget development support, policy development support, and regulation development support. Also, related to the prohibited activities category, the Contractor may, under tight controls, assist EPA in such tasks as preparing Congressional testimony by performing background research or preparing draft briefing materials. To avoid the existence or appearance of inherently governmental functions, the WAM and other Government personnel should institute a number of management controls:
  - Ensure that the particular **responsibilities** of Contractor personnel in management support tasks are clearly documented in work assignments and technical directives. **The distinction between Government and Contractor responsibilities should be clear.**
  - Ensure that Contractor support tasks are limited to performing background research and developing draft materials. Such materials should be reviewed extensively by the WAM and other personnel within the laboratory, center or office. Evidence of the Government's review should be in the work assignment project file, in the form of memoranda presenting Government comments and/or marked-up drafts. Final policy or planning documents must be developed and produced by Government personnel.
  - Ensure that Contractors involved in planning support do not have access to funding levels or other budget information.
  - Ensure that Contractor inputs are free of bias and conflicts of interest.
  - Inform Contractors involved in strategic acquisition planning support (research planning or ADP planning) that they may be prohibited from competing for work resulting from the planning efforts.

- (5) Ensure that Contractors do not participate in drafting or providing inputs to statements of work, if there is any possibility that they may be involved in performance of the work. Contractors should also not participate in Government technical discussions on the prioritization or funding of research.
- (6) Regarding the **vulnerable services** category, two of the issues (shared laboratory space and identification of Contractors) were addressed under Personal Services. Concerning control of CBI, the following actions should be taken:
- The laboratory, center or office should develop internal controls for safeguarding sensitive contract related information included in contracts and modifications, work assignments, work plans, cost proposals, monthly progress reports and invoices.
  - Security procedures should be established for information transfer by facsimile or communication networks such as a Local Area Network (LAN).
  - Contractor access to EPA data bases containing CBI of other Contractors should be carefully controlled. For example, Contractors may maintain data bases in support of the Federal Insecticide Fungicide and Rodenticide Act (FIFRA) and the Toxic Substances Control Act (TSCA).

If Contractor personnel are provided access to CBI for such purposes, the WAM or Project Officer should notify the Contracting Officer who will immediately ensure that all such personnel sign confidentiality statements and agreements not to divulge this information outside of their place of employment. Also, the contract or work assignment should specify that the Contractor has access to CBI for the particular project.

- (7) WAMs and POs may also want to familiarize themselves with the management controls contained in the Justification for Sensitive and/or Vulnerable Services and in the Contract Management Plan for the particular contract. Contract Management Plans are required at the pre-award stage for procurements \$15 million or above. The controls address the types of areas discussed earlier, e.g., personal services, inherently governmental functions, and generally contain more specific procedures the laboratory, center or office has established for management of the particular contract.

Exhibit 3-2 presents a checklist the WAM can use to identify the existence or appearance of inherently governmental functions. This reflects the requirements of EPA Order 1900.2 and Chapter 2 of the CMM. The WAM can use the checklist in reviewing statements of work against the Order and the CMM.

(Note: Chapter 2 (revised) of the CMM modified and supersedes EPA Order 1900.2. Specifically, Part B of EPA Order 1900.2, "Sensitive/Vulnerable Activities Requiring Justification and Approval" is called "Sensitive Services" in CMM Chapter 2. Part C of the EPA Order, "Activities Requiring the Establishment of Special Controls" is called "Vulnerable Services" in the CMM. **Both categories of services now require justification and approval.** Previously, the four activities under Part C of the EPA Order did not require justification and approval. Both the EPA Order and CMM Chapter 2 contain the same list of prohibited activities. OAM plans to eliminate EPA Order 1900.2 in the future.)

## **Exhibit 3-2**

### **CHECKLIST FOR IDENTIFYING INHERENTLY GOVERNMENTAL FUNCTIONS**

#### **A. Prohibited Activities**

1. Actually preparing Congressional testimony ( )
2. Interviewing or hiring individuals for employment by EPA ( )
3. Developing and/or writing Position Descriptions and Performance Standards ( )
4. Actually determining Agency policy ( )
5. Participating as a voting member of a Performance Evaluation Board; participating in and/or attending Award Fee meeting ( )
6. Preparing Award Fee letters, even under typing contracts ( )
7. Preparing Award Fee plans ( )
8. Preparing documents on EPA letterhead other than routine administrative correspondence ( )
9. Reviewing invoices to determine whether costs, hours, and work performed are reasonable ( )
10. Preparing SOWs, WAs, Technical Directives, Delivery Orders or any other work issuance documents under a contract the Contractor is performing or may perform ( )
11. Preparing responses to audit reports from the Inspector General (IG), GAO or other auditing entities on behalf of EPA ( )
12. Preparing responses to Congressional correspondence, on behalf of EPA ( )
13. Preparing responses to Freedom of Information Act (FOIA) requests, other than routine, non-judgmental correspondence ( )
14. Authorizing a Contractor to represent itself as EPA ( )
15. Conducting administrative hearings ( )
16. Reviewing findings on the eligibility of EPA employees for security clearances ( )
17. Actually preparing an office's official budget request ( )

### **Exhibit 3-2 (continued)**

#### **B. Sensitive Services Requiring Justification and Approval**

1. Budget preparation support ( )
2. Reorganization and planning support ( )
3. Policy development support ( )
4. Regulation development support ( )
5. Support to EPA for the evaluation of another Contractor's performance ( )
6. Strategic acquisition planning, e.g., research planning, ADP planning ( )
7. Support on improving contract management ( )
8. Providing specialized expertise in the Contractor selection process ( )
9. Specialized expertise in the development of SOWs, WAs, and delivery orders ( )
10. Support involving EPA policy or regulatory interpretation, such as staffing hot lines, attending conferences on behalf of EPA, conducting EPA training courses, community relations efforts, etc. ( )
11. Independently providing technical guidance concerning EPA policies or regulations to outside parties ( )

#### **C. Vulnerable Services Requiring Justification and Approval**

1. Contractors share office space with EPA ( )
2. Support in preparing responses to FOIA requests ( )
3. Contractor has access to CBI and/or other sensitive information ( )
4. Situations where it can be assumed that the Contractor is EPA ( )

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## **E. CONFLICT OF INTEREST**

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This issue encompasses a broad collection of technical legal provisions that bear on basic principles of fairness and ethics. This includes both personal and organizational conflict of interest. According to FAR 9.501, "organizational conflict of interest" means that because of other activities or relationships with other persons:

- An individual is unable or potentially unable to render impartial assistance or advice to the Government
- An individual's objectivity is or might otherwise be impaired
- An individual has an unfair competitive advantage.

The actual existence of a personal or organizational conflict of interest may frequently require a determination by the Office of General Counsel (OGC). However, there are a number of situations which either may raise questions or give the appearance of a conflict of interest. Such cases should be avoided or at least examined by the WAM and other Government personnel.

### **1. Fraternalization and Nepotism**

There does not exist a hard and fast definition of fraternization. The concern is that personal relationships between EPA and Contractor personnel could provide (or give the appearance of providing) the Contractor an unfair competitive advantage and could impact the objectivity of the EPA person managing the contract or work assignment. A similar concern applies to nepotism. Issues include:

- On and off the job friendships between EPA and Contractor personnel
- EPA staff attending Contractor social events, such as holiday parties; Contractor staff attending EPA social events
- EPA staff having relatives working for Contractors

While it is difficult to specify exactly what is or is not acceptable, the following guidance is offered:

- EPA and Contractor staff should not attend the other organization's social events, such as holiday parties.
- WAMs and Project Officers should carefully review and update their financial disclosure statements to ensure that they are current and reflect instances of employment of relatives by Contractors. This requirement is described in further detail in Section E of the instructions for completing SF-450, Confidential Financial Disclosure Report.

If the WAM has particular questions on the issue of fraternization he/she should contact the Deputy Ethics Official for his/her laboratory, center or office, or the OGC.

## **2. Contractor Participation in Long-Term Planning**

The issue here is that Contractor participation in research or ADP planning could give that Contractor a competitive advantage when work resulting from the plans is contracted out.

To address this issue, the WAM and other Government personnel should consider the following:

- The Contractor's role in research or ADP planning should be limited to providing technical input and analysis. Final judgments on the content of the plan must be made by the Government.
- Consideration should be given to prohibiting a Contractor from competing for work resulting from a planning process in which the Contractor participated. This would typically be an individual Contracting Officer decision and would be implemented through a Limitation of Future Contracting (LOFC) clause in the contract (EPAAR 1552.209-74).

## **3. Contractor Participation in the Development of Statements of Work (SOWs)**

This issue includes:

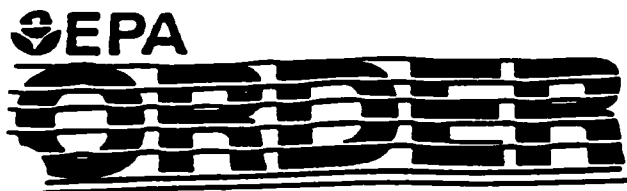
- Provision of input by Contractor staff to EPA staff on proposed changes to ongoing work
- Preparation by Contractors of solicitations or SOWs for competitive cooperative agreements.

This topic was also addressed under Inherently Governmental Functions. The preparation of SOWs for work assignments which the Contractor will or may perform is one of the 17 prohibited activities under EPA Order 1900.2 and Chapter 2 of the CMM. Also, Contractors should not draft amendments to SOWs. The preparation of SOWs for cooperative agreements is not explicitly addressed in the EPA Order or the CMM. However, to avoid a conflict of interest situation, if the contract SOW calls for Contractor assistance in drafting solicitations for cooperative agreements, the Contractor should be prohibited from competing for future work under such an agreement.

## **4. Access to Confidential Business Information**

Contractor physical access to EPA premises raises the possibility that Contractor personnel may see, take or copy confidential business information of competitors. This could therefore provide a competitive advantage for one Contractor over another.

**This issue was also raised under Inherently Governmental Functions. The WAM and other Government personnel should review the office's internal control procedures to ensure that Contractors do not have access to technical or cost proposals, work assignments, work plans, award fee determinations, personnel descriptions or other CBI of other Contractors. In addition, Contractors shall not be used to type award fee letters.**



Classification No.: 1900.1A

Approval Date: 4/14/94

USE OF CONTRACTOR SERVICES TO  
AVOID IMPROPER CONTRACTING RELATIONSHIPS

1. PURPOSE. This Order is designed to assist Agency employees to avoid improper contractor relationships in performing contract management activities.

2. BACKGROUND. Past contract management problems identified by the Office of the Inspector General and the General Accounting Office have indicated that Agency contracts were not always administered in accordance with applicable laws, regulations, and policies. They also identified cases in which insufficient controls were established to preclude fraud, waste and abuse, and conflicts of interest, and to safeguard Agency assets.

The Federal Acquisition Regulation (FAR) prohibits personal services contracts unless specifically authorized by statute. Personal services contracts circumvent civil service laws, which require the government to obtain its employees by direct hire in accordance with Office of Management and Budget ceilings, and inappropriately augment Agency staff without proper legislative review.

3. RESPONSIBILITIES. Contracting Officers (COs), Project Officers (POs), Delivery Order Officers (DOOs), Delivery Order Project Officers (DOPOs), Work Assignment Managers (WAMs), Remedial Project Managers (RPMs), On-Scene Coordinators (OSCs), Task Managers (TMs), and all other EPA employees are responsible for ensuring that personal services relationships between Government employees and contractor personnel are avoided.

4. DEFINITION. A personal services contract is a contract which, by its terms or as administered, results in contractor personnel being subject to relatively continuous supervision and direct control by a Government official or employee. A personal services contract is characterized by the employer-employee relationship it creates between the Government and the contractor's personnel. These contracts make the contractor personnel appear, in effect, to be Government employees.

Attached is a list of examples of personal services, which are provided to further clarify some of these prohibited activities. (Appendix A)

5. ASSESSING THE NATURE OF A CONTRACT. FAR Part 37.104(d) provides the following descriptive elements to be used as a guide in assessing whether a proposed contract is personal in nature. These elements can also be used as a guide to determine if the way in which a contract is administered creates a personal services contract.

An improper contract relationship may exist if:

- a. Contractor performance is done on site.
- b. Contractor's principal tools and equipment are furnished by the Government.
- c. Contractor's services are applied directly to the integral effort of agencies or an organizational subpart in furtherance of an assigned function or mission.
- d. Comparable services, meeting comparable needs, are performed in the same or similar agencies using civil service personnel.
- e. The need for the type of service provided by the contractor can reasonably be expected to last beyond one year.
- f. The inherent nature of the service or the manner in which it is provided reasonably requires, directly or indirectly, Government direction or supervision of contractor employees in order to--

- (1) Adequately protect the Government's interest;
- (2) Retain control of the function involved; or
- (3) Retain full personal responsibility for the function in a duly authorized Federal officer or employee.

Note: all of these elements need not be present to have an improper personal services contract. Additionally, having all of these elements present does not necessarily mean that an improper personal services contract exists. The key element is whether the Government exercises continuous supervision and control over the contractor personnel performing the contract. Each situation must be reviewed and a determination made on a case-by-case basis.

As in any contract situation, Agency employees should contact the CO for advice and guidance whenever they have questions regarding relationships with contractor personnel. Agency employees may also contact the Contracts Law Branch, Office of General Counsel (OGC) for further guidance. Agency employees who believe that a personal services contract exists should immediately notify the CO.

6. PRINCIPLES FOR MANAGING A CONTRACT.

a. The CO is responsible for determining, prior to award, that the contract does not involve the procurement of personal services. Even though supervision by Government employees is not directly required by the terms of the contract, a personal services contract may evolve through improper contract management. Agency employees who believe that, through improper contract management, a contract has evolved into a personal services contract should immediately notify the CO. The CO will investigate these situations and take appropriate action to ensure that contracts are managed to maintain proper contractual relationships.

b. Technical management of a contractor's performance generally relates to the manner in which authorized EPA employees provide work direction to the contractor. Exchange of information of a technical nature is not prohibited. Appropriate technical direction is the clarification of ambiguous technical requirements to ensure efficient and effective contractor performance. Proper technical direction is not supervision or assignment of tasks to contractor personnel. In managing the contract, the following principles should be observed:

(1) Interaction with Contractor Personnel

(a) All contractors:

(i) The contract shall govern contract performance. This can best be accomplished with a well-defined statement of work (SOW), including SOWs in work assignments (WAs), technical direction documents (TDDs), or delivery orders (DOs), which reference the authority of the contract.

(ii) The PO shall notify the CO immediately if there is a need to change the contract so that the CO can issue a contract modification.

(iii) Unless otherwise provided in the contract, all work will be initiated by the issuance of WAs or DOs signed by the CO or if provided, by TDDs signed by the PO. These will be issued to the contractor's official point(s) of contact as shown in the contract, e.g., Project or Program Manager (PM) or Site Manager (SM). Any communication to the contractor's point of contact shall come from the EPA CO, PO, or his/her authorized designees, e.g., WAMs, DOOs, DOPOs, RPMs, OSCs, or TMs. Other EPA employees may not assign tasks unless they have specific authority to do so. Note: TDDs may only be used to initiate work in contracts requiring a fully-dedicated contractor team and as limited by the contract.

(iv) Technical direction shall be issued in writing from the PO or authorized designee (with a copy to the CO) to the contractor's point(s) of contact. If provided orally, the technical direction must be confirmed in writing within five (5) calendar days. Technical direction shall not be used to initiate work or to change WAs or TDDs or the contract. Agency employees shall not give instructions separately to individual contractor personnel.

(v) The PO or designee may authorize meetings with the contractor's point(s) of contact for the purposes of exchanging technical information among contractor personnel and EPA employees or assisting in contract performance, e.g., to discuss the status or progress of effort under a WA or DO.

Exceptions to the prohibition against direct interaction between an Agency employee and contractor personnel include: 1) a Government employee's contacts to the various Agency hotlines and helplines to request and receive information and literature regarding the Agency's media programs, 2) requests by Government employees for technical assistance and ADP user support services where the technical assistance is mandated and monitored under an existing contract, and 3) participation in discussions at professional meetings attended by both Government employees and contractor personnel, which are not in connection with the performance of a contract.

Examples of ADP user support services are Personal Computer/Local Area Network (PC/LAN) troubleshooting support, software support, PC training, data recovery assistance, and disk archiving and other similar automated data processing (ADP) support as defined in a

specific contract. These technical services are rendered and the contract administered through established ADP support offices such as the Washington Information Center (WIC).

(vi) Agency employees must not intervene in a contractor's hiring, firing, or promoting of contractor personnel; assigning particular employees to specific tasks; or rewarding individual contractor personnel. Evaluation of contractor performance, whether positive or negative, shall be provided through the award fee process, if applicable, or through the EPA PO to the contractor point(s) of contact. Evaluation shall relate to the timeliness or quality of deliverables or services provided, and shall not be directed at the performance of individual contractor personnel.

(vii) Agency employees shall not ask contractors to hire in a "holding pattern," individuals who may be candidates for Agency positions, pending completion of competitive civil service procedures.

(viii) Agency contracts shall not require or permit contractors to purchase supplies or services for use by EPA employees unless specifically required by a contract for its performance.

(ix) All requests for corrective or follow-up actions by contractors shall be directed from the EPA PO or authorized designee to the contractor point(s) of contact. Similarly, contractor personnel must operate through the contractor's point of contact to obtain any information needed to complete the work.

(x) Agency employees shall prepare appropriate documentation for the record of meetings, trips, and telephone conversations relating to the contract.

(b) Contractors working in EPA facilities only:

(i) Agency employees must avoid situations in which one EPA on-site contractor provides support to another EPA on-site contractor, except when the contract requires such support to be furnished (e.g., janitorial services or security services). Similarly, Agency employees shall avoid situations in which one EPA on-site contractor provides oversight for another EPA on-site contractor.

(ii) Agency employees shall not routinely provide contractor personnel with copies of EPA internal administrative or other correspondence, except when it affects the conditions of the facility in which the contractor's personnel are working (e.g., scheduled repair work to be performed or building closings).

(iii) Agency employees shall not provide contractor personnel with access to facsimile machines, photocopiers, computers, or file rooms where the Agency receives, copies, or stores sensitive or confidential information unless appropriate safeguards are in place to ensure adequate protection of this information. These safeguards include security clearances, signed confidentiality statements, and others. Sensitive or confidential information includes information protected under the Trade Secrets Act or Privacy Act, confidential business information, management sensitive information, and enforcement sensitive information. An example of acceptable access after the appropriate safeguards are in place is the EPA Secure Telecommunications Center, which processes cables to the EPA from the State Department secure network, for which contractor personnel have security clearances. CBI may not be given to contractor personnel under any circumstances unless there is authority for such disclosure and the procedures under 40 C.F.R. Part 2, Subpart B have been followed.

(2) Identification of Contractor Personnel

(a) All contractors:

(i) At all times, it shall be readily apparent which organization employs an individual. Agency security offices must require contractor personnel to display appropriate badges that identify them as contractor personnel. The employing organization should also be identified. These requirements shall be included in all contracts that may create situations in which contractor personnel could be mistaken for EPA employees, e.g., advisory and assistance services contracts, hotline/helpline contracts, community meeting tasks, or field work tasks under Superfund contracts.

(ii) In all points of contact, e.g., during meetings, on Agency systems such as voicemail or electronic mail (d-mail or e-mail), Agency officials must require contractor personnel to identify themselves as such and their employing organization.

(iii) Agency security offices shall ensure that contractor personnel do not have unlimited access to EPA office areas.

(b) Contractors working in EPA facilities only:

(i) In official telephone directories and listings, contractor listings shall be shown in a type-face different from that used for Agency employees, in separate listings, with special codes, designated by use of asterisks or parentheses, or in some other manner that distinguishes contractor personnel from EPA employees.

(ii) Contractor personnel subject to the Service Contract Act shall wear company-issued uniforms, in accordance with their company policies, e.g., moving contractors, security guards, janitorial workers, etc.

(3) Attendance at EPA Functions and Meetings

All contractors:

(a) Agency employees shall not allow contractor personnel to attend EPA functions, staff meetings, committees, or activities, including holiday parties, except as described in (b) below.

(b) Agency employees shall not allow contractor personnel to attend EPA meetings or conferences (including conference calls) unless required for contract performance, as documented in the contract's statement of work or in a specific WA, TDD, or DO.

(c) The CO, PO, or authorized designee shall notify the contractor point(s) of contact through authorized technical direction of the need for attendance by contractor personnel. Attendance must be restricted to specific tasks as defined in the SOW and limited to the portion of the session in which the contractor's performance is directly required. Contractor personnel shall never attend meetings as the official representative of an EPA organization. Contractor participation is generally appropriate when the contractor is serving in an advisory or resource capacity, such as performing research or data gathering. Contractors may also act as facilitators for EPA Quality Action Team sessions under contracts for Total Quality Management implementation.

(4) Contractor Employee Conduct

**All contractors:**

(a) Agency employees shall not be responsible for resolving contractor personnel's business or personnel matters. Contractor personnel must be directed to their point(s) of contact for resolution of these issues in accordance with the contractor's policies.

(b) Agency employees shall not provide contractor personnel with direction for performance of work products or assignments. Contractor personnel must operate through their point(s) of contact to obtain any direction needed to complete work products or assignments.

(5) Space

**Contractors working in EPA facilities only:**

(a) To the extent possible, EPA employees shall be physically located in separate areas from contractor personnel; the contractor's areas shall be identified as such.

(b) In cases in which both EPA employees and contractor personnel must occupy or use a general area, there must be physical separation and identification of space.

(c) EPA shall arrange schedules and set priorities for the use of any common equipment by both contractor personnel and Agency employees.

(d) EPA may provide furniture, PCs, software, documentation, telephones, voicemail and other equipment to contractor personnel working in EPA facilities when specified in the contract.

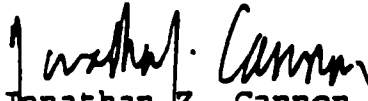
7. ADDITIONAL GUIDANCE.

a. As in any contract situation, Agency employees should contact the CO and Contracts Law Branch, OGC for advice and guidance as required on a case-by-case basis.

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b. For further information on this subject, Agency employees should contact the Procurement Policy Branch, Office of Acquisition Management.

  
Jonathan Z. Cannon  
Assistant Administrator  
for Administration and  
Resources Management

## APPENDIX A

### Examples of Prohibited Personal Services

1. An EPA employee routinely gives instructions and directions directly to contractor personnel.
2. An EPA employee recommends/requests/refuses to have specific contractor personnel assigned to work on a delivery order or work assignment.
3. There is a change in the fields of a database to be maintained by the contractor. An EPA employee instructs a contractor employee on how to perform the changes, rather than having a contract-authorized official issue a written technical direction and/or contract modification for the changes. This would be sent to the contractor point(s) of contact for subsequent instruction to the contractor personnel.
4. An EPA employee suggests promotion, a bonus or other performance award for certain contractor personnel.
5. An EPA employee sits in on an interview for potential contractor employees and offers suggestions on whom to hire.
6. An EPA employee invites contractor personnel to attend an EPA staff meeting or other EPA session not related to contract work performance.
7. An EPA employee enters a contractor's work area when no contractor supervisor is present. The EPA employee has specific requirements he/she wants accomplished and directs contractor personnel to redirect efforts to the new assignment.
8. An EPA employee directly requests contractor personnel to prepare a special report (not otherwise required by the contract) from a database that the contractor employee maintains.
9. A contractor employee participates as a member of the EPA committee planning an EPA award ceremony.
10. An EPA employee is an EEO counsellor. A contractor employee complains of mistreatment from contractor management. The EEO counsellor pursues the complaint.

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## **MODULE 4: PREPARING THE WORK ASSIGNMENT PACKAGE**

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### **A. INTRODUCTION**

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This module describes procedures for preparing the Work Assignment Package. It outlines the steps required in planning the work assignment, writing the statement of work (SOW), estimating the cost to the Government, and preparing and assembling other parts of the work assignment package. Quality assurance considerations in developing the work assignment package are described. Potential contracting improprieties and vulnerabilities associated with work assignment preparation are discussed.

Some offices use Technical Directives (TDs) in lieu of work assignments on certain contracts. The guidance presented in this module for planning and preparing work assignments also applies to Technical Directives when used in this way.

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### **B. OBJECTIVES**

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At the completion of this Module, you will be able to:

- Describe the major steps in planning a work assignment.
- List and describe required elements in preparing a completion-oriented statement of work.
- Identify considerations in determining and documenting quality assurance requirements.
- Evaluate the adequacy of a statement of work and identify needed changes.
- Describe considerations and procedures for developing an independent Government cost estimate.
- Identify and describe the contents of other elements of the work assignment package.
- Identify potential contracting improprieties and vulnerabilities related to work assignment preparation.

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## **C. FLOW OF THE WORK ASSIGNMENT PREPARATION PROCESS**

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The major steps in preparing the work assignment package are shown below. The final output of the process is the work assignment package which is submitted to the Contracting Office. A description of these steps and related key issues is presented in the sections which follow.

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While the above steps are largely sequential, there is some overlap. For example, the WAM would typically develop the Government cost estimate after the statement of work is written. However, one element of the SOW is the estimate of labor hours, which is an important factor in developing the cost estimate. Also, determining quality assurance requirements is listed separately because of the extensive attention being given in the Agency to QA. In practice, QA requirements would be developed as the statement of work is being written and incorporated in the SOW.

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## **D. PLANNING THE WORK ASSIGNMENT**

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Before starting to write the statement of work, the Work Assignment Manager needs to define the objectives and Contractor requirements for the project. While some experienced WAMs may be able to do this as they are preparing the SOW, it is generally advantageous to sketch out the work requirements in advance. The planning stage is also the time for the WAM to determine whether the proposed work falls within the scope of existing laboratory/office contracts, and whether the work duplicates previous or current efforts.

The major planning steps performed by the Work Assignment Manager are described below.

### **1. Defining the Project Objectives**

The project objectives describe the principal goal or result to be achieved by the project. For research support type work assignments, the objectives should normally relate to a laboratory's research program or project plan.

The following are examples of work assignment objectives for three different types of projects:

**Example 1:** Provide laboratory support to analyze sediment samples in order to characterize the sediments in terms of grain-size, silt-clay content and carbon concentration and characterize bottom dwelling (benthic) animal communities in terms of their abundance, biomass, and taxonomic diversity.

**Example 2:** Improve the area source solvent emission estimation method for the source categories of surface coating, dry cleaning, and pesticide application.

**Example 3:** Develop and revise documents describing EMAP organizational responsibilities, communications guidelines, and administrative procedures.

Project objectives should always define a specific **end product or service**. In the first example, the service is laboratory support to analyze sediment samples. In the second, the product is an improved area source emission estimation method. In the third, the product is documents which describe responsibilities, guidelines and procedures for organization and operation of the Environmental Monitoring and Assessment Program (EMAP).

### **2. Analyzing Contractor Requirements**

Once the objectives have been defined, the next step is to analyze the project requirements in terms of:

- Tasks or actions required to achieve the objectives

- Deliverables
- Schedules
- Contractor qualifications

#### **(1) Project Tasks**

The WAM should divide the project into the major tasks that will be needed to accomplish the project objective. This is often called a **"work breakdown structure."** The tasks can be expressed either as major areas of work or sequential steps to achieve the objective.

For example, the sediment analysis work assignment could be divided into five major tasks:

- Task 1 -- Prepare project work plan.
- Task 2 -- Identify and enumerate the benthic organisms.
- Task 3 -- Measure the biomass of macrofaunal samples collected from all salinity zones.
- Task 4 -- Measure the silt/clay content from core sediment samples.
- Task 5 -- Prepare a database containing all data produced during the completion of the other tasks.

As another example, tasks under the EMAP management support work assignment could be the following:

- Task 1 -- Prepare project work plan.
- Task 2 -- Revise description of EMAP organizational responsibilities.
- Task 3 -- Revise description of EMAP communications guidelines.
- Task 4 -- Prepare draft and final documents describing EMAP administrative procedures.
- Task 5 -- Prepare draft and final documents describing EMAP planning and budgeting procedures.

Note that both examples include a task to prepare a project work plan. While this is a normal requirement of every ORD contract, it is useful to list it as a separate task and deliverable in the work assignment to ensure that it is not overlooked.

#### **(2) Project Deliverables and Schedule**

The WAM should define the specific deliverables and associated schedules to meet the project objectives. Many work assignments, especially those

performed on-site are for one year; however, the Government will normally have certain important requirements which need to be met over the period of the work assignment. **Key factors the WAM needs to consider are the following:**

- What internal EPA products and milestones exist which are supported by deliverables of the work assignment, e.g., a budget submission, a peer review of a research project, an international conference.
- What specific contractor deliverables are required?
- Who will review the deliverables?
- What are the criteria by which the acceptability of the deliverables will be judged?
- How much time will be needed for review?
- When does the overall project need to be completed?
- When does each deliverable need to be submitted in order to complete the overall project on time?

In developing schedules for each deliverable, the WAM must take into account the following:

- The need for both draft and final submissions.
- The possible multiple levels of review. In addition to the WAM, deliverables may be reviewed by the WAM's supervisor; technical specialists within the laboratory, center or office; members of a quality action team; or scientists outside the Agency as part of a peer review process. Certain products may even require program office-wide review by management, scientific, or administrative personnel. These multiple reviews may add substantial time to the schedule.
- Holiday periods and end of fiscal year activities, which may necessitate extending turnaround times.

As an example, deliverables under the sediment analysis project could include:

- Project work plan, due two weeks from the start of the work assignment
- Weekly records of the status of all samples
- Monthly progress reports summarizing sample analyses and identifying potential problems
- Periodic delivery of electronically (SAS) formatted data sets through WAM to the Near Coastal Information Center
- Final report, including a summary of quality control data from independent audits, due February 15, 1994

**Deliverables under the EMAP management support work assignment could include:**

- **Project work plan, due two weeks from the start of the work assignment**
- **Revised chart and narrative description of organizational responsibilities, due two months from start**
- **Revised description of communications guidelines, due two months from start**
- **Review Draft EMAP Administrative Manual, due three months from start**
- **Final Draft EMAP Administrative Manual, due four months from start**
- **Review Draft Resource Allocation Flowchart, due five months from start**
- **Final Draft Resource Allocation Flowchart for Steering Committee, due six months from start**

**Acceptance criteria should be specified for each deliverable or category of deliverable. The particular criteria will depend on the type of deliverable, e.g., a report, a journal article, a data analysis, etc. The following are examples of acceptance criteria:**

- **The journal article is of publishable quality, i.e., can pass the peer review process in scientific journals.**
- **The report contains, at a minimum, the following items:**
- **The data collected are adequately documented and characterized to ensure that a knowledgeable user can interpret and, if necessary, reconstruct and reinterpret the data set at a later time. The metadata describing the data set conform to the guidance outlined in the laboratory QA/QC manual.**
- **The draft briefing is well organized, contains the appropriate content (as specified in the SOW), and is clear and easily readable in its presentation.**
- **Laboratory tasks are performed in accordance with standard operating procedures as described in the attached EMAP Surface Water Operations Manual.**

**For example; under the EMAP management support work assignment, acceptance criteria might be: The draft report on EMAP communications guidelines includes the following topics:**

- **Methods (meetings, reports, electronic mail, etc ) for communicating between key EMAP organizational units.**
- **Detailed outline of monthly status reports on EMAP activities.**

### **(3) Contractor Personnel Qualifications**

Once the tasks and deliverables are defined, the WAM should consider the qualifications of Contractor personnel to perform the work. Addressing this issue in the planning stage serves two purposes:

- It provides the basis for the specification of particular skill requirements in the work assignment. While the WAM cannot direct a Contractor to use a particular staff member, he/she can indicate personnel qualifications and evaluate resumes against these.
- Along with the description of tasks, it assists in determining whether a particular contract is an appropriate fit for the work assignment.

As an example, under the EMAP management support work assignment, the WAM may determine that a particular skill requirement is that the Contractor provide a "level IV resource who has considerable familiarity with EMAP goals, organization, and planning and administrative procedures."

### **(4) Selecting References and Background Information**

The WAM should identify reference materials for use by the Contractor in responding to the work assignment. This could include the section of the Research Program or Project Plan that the work assignment is supporting. It could also include technical manuals, deliverables of prior work assignments, or relevant Agency, program or other Government reports, regulations, directives or guidelines.

## **3. Ensuring That a Contract is the Appropriate Extramural Vehicle**

For many projects the choice of the appropriate extramural vehicle to use will have already been made by laboratory management. However, other vehicles, (e.g., cooperative agreements, interagency agreements) may be appropriate to accomplish certain types of projects. Each of these has very specific intended uses. In particular, the WAM should be aware of the differences between contracts and cooperative agreements as he/she plans the project.

Guidance on the proper use of contracts and cooperative agreements is given in: (1) EPA Order 5700.1, "Policy for Distinguishing Between Acquisition and Assistance", dated March 22, 1994.

Under Section 4 of the Federal Grant and Cooperative Agreement Act (FGCA), 31 U.S.C. 6303, a **contract** must be used if the **principal purpose** is to acquire property or services for the direct benefit or use of the Federal Government.

Conversely, under Sections 5 and 6 of the FGCA, 31 U.S.C. 6304 and 6305, an Agency may use an **assistance agreement (cooperative agreement or grant)**, only if the principal purpose is to transfer a thing of value to an eligible recipient to carry out a **public purpose** of support or stimulation authorized by law. Among

grants and cooperative agreements, if substantial involvement by the executive agency with the recipient is expected, a **cooperative agreement** must be used.

The primary criterion in choosing a contract versus a cooperative agreement is thus what the **principal purpose** is. If the principal purpose is to obtain a product or service to support a Federal agency, a contract must be used, even if the project also benefits the recipient, other non-Federal organizations or the public.

More detail on the various types and uses of cooperative agreements is provided in the above referenced guidance. If WAMs have any questions on the type of extramural vehicle to use, they should review this guidance and discuss the issue with laboratory, center or office management.

#### **4. Selecting the Appropriate Contract to Use**

In most cases the contract to use for the work assignment will already have been selected, or the choice will be readily apparent to the WAM. However, in some instances, especially for new research or management initiatives, the choice may not be obvious. In such cases the WAM should consult with the Project Officer(s) for the candidate contracts to determine if the work assignment falls within the scope of work. The WAM can also ask to review the scopes of work. The decision to use a particular contract is often made by the WAM's supervisor or other management personnel, but the WAM does have input into this decision.

Note that if one Agency organization desires to use a Level-of-Effort (LOE) contract of another organization, the WAM or Project Officer should check with the Project Officer for that contract as to whether there is available **capacity** in hours and dollars. The term "capacity" refers to the annual ceiling in hours or dollars in an LOE contract.

If there is insufficient capacity (*i.e.*, if hours and funds are already committed for other projects), the WAM or PO will need to identify another vehicle. Also, the proposed project must fit within the scope of work of the other organization's contract.

#### **5. Ensuring that the Project Does Not Duplicate Other Work**

The WAM should discuss the work assignment with his/her supervisor and other personnel in the laboratory/center/office to insure that the project does not duplicate other prior or current work.

#### **6. Planning Worksheet**

Exhibit 4-1 presents a worksheet which the WAM can use to outline the major features of the work assignment. The completed worksheet can be used as a reference in writing the statement of work.

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**Exhibit 4-1**

**PLANNING WORKSHEET: DEFINING THE WORK**

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1. What are the objectives of the project?

Does the project duplicate previous or current work?

How do these objectives relate to the Issue and Research Program or Project Plan?

2. What tasks must be accomplished to achieve these objectives?

<u>Task Number</u>	<u>Description</u>
--------------------	--------------------

3. What deliverables are required? (Reports, articles, briefings, databases, measurements, meeting agendas, etc.) How will you evaluate the acceptability of deliverables?

<u>Deliverable</u>	<u>Acceptance Criteria</u>
--------------------	----------------------------

**Exhibit 4-1 (continued)**

**Who will review the deliverables?**

**How much time should the review require?**

- 4. When does the overall project need to be completed?**
- 5. When does each deliverable need to be submitted in order to meet the final completion date?  
(Allow sufficient time for Government review and Contractor response to review comments.)**

**Deliverable**

**Date Required**

- 6. What skills, experience and levels of personnel are needed to perform the work?**
- 7. What references and background information will the contractor need to understand the requirement and perform the work? (Research Program Plan, Technical Manuals, Agency/ORD reports, regulations, directives, guidelines, etc.)**

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## **E. WRITING THE STATEMENT OF WORK**

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### **1. Introduction - Purpose of Statement of Work**

Once the Work Assignment Manager has planned the project, he/she can then prepare the statement of work (SOW). The statement of work is the most important element of the Work Assignment Package. A well-written statement of work serves several important purposes:

- It facilitates the development of a sound cost estimate.
- It helps ensure a common understanding of project requirements by the Contractor and the Government.
- It assists the WAM in monitoring the project and evaluating deliverables.

In contrast, a poorly-written statement of work can contribute to contracting improprieties and vulnerabilities such as personal services. It can also contribute to misunderstanding of project requirements and inadequate Contractor performance.

### **2. Contents of Statement of Work**

#### **(1) Required Elements**

The statement of work **must** contain the following elements:

- Title
- Background for the work assignment
- Purpose (objectives)
- List and description of tasks
- Deliverables, including acceptance criteria
- Schedule for overall project and for each deliverable
- Total estimated professional/technical labor hours<sup>1</sup>
- Name of Work Assignment Manager<sup>1</sup>
- Management controls

The background and objectives are frequently combined, as are the deliverables and the schedule. Also, quality assurance requirements should be included in the tasks and deliverables (or in a separate section) for projects involving environmental data collection.

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<sup>1</sup> These items are listed on the work assignment cover sheet, but may be included in the SOW for completeness.

## **(2) Additional Elements**

Depending on the needs of a particular work assignment, the statement of work may contain the following additional elements:

- Required personnel qualifications
- Required additional reports, e.g., special financial progress reports
- Suggested skill mix, e.g., estimated hours by professional level (P level)
- Required format for deliverables, e.g., format for word processing software
- List of Government-furnished data or property
- Special requirements or restrictions, e.g., prior approval by Government on use of data analysis software
- Evaluation criteria (for award fee contracts)

The following section discusses these required and optional elements in further detail.

## **3. Description of Elements of Statement of Work**

### **Required Elements**

#### **(1) Title**

The Work Assignment Manager should select an appropriate title for the work assignment.

#### **(2) Background/Objectives**

The **background statement** should describe the factors that have led to the project. This may include:

- Current ORD or laboratory/center/office research or management initiatives.
- Relationship of this project to previous or other current efforts.
- Reference to laboratory/center research program or project plan that identifies the requirement. This should include the relevant project description or task description title and number. If appropriate, the relevant sections of the actual project description or task description can be included as an attachment to the statement of work.

The **objectives** should indicate the nature of the Contractor services desired. The specifics of these services are then described in the succeeding task and

deliverable statements. Exhibit 4-2 presents two examples of background/objective descriptions.

### **(3) Task Descriptions**

This section lists and describes the specific tasks to be performed by the Contractor. These may either be sequential steps in completion of an overall project or major areas of work. **It is essential that the project be divided into tasks; the absence of this is a frequent cause of rejection of the work assignment by the Contracting Office.** The tasks should be presented in sufficient detail such that: (1) the scope of the Contractor's requirements is clear; (2) the Contractor can proceed without substantial direction from the Government; and (3) both the Government and the Contractor can develop a sound cost estimate. Thus, for example, reports or other information to be made available to the Contractor for use in conducting the project should be clearly indicated.

As an example, task descriptions for the sediment analysis work assignment are presented below.

- Task 1:** Identify and enumerate all benthic organisms from samples collected at stations located in oligohaline and tidal fresh salinity zones (0-5%). The salinity classification for each station was determined from data collected during field implementation of the demonstration project. Approximately 60 samples fall into this category. The Contractor shall follow all laboratory and QA/QC procedures outlined in the EMAP-NC Laboratory Methods Manual, October, 1992.
- Task 2:** Measure the biomass of macrofaunal samples collected from all salinity zones (approximately 660 samples). This will require the Contractor to coordinate with other contractors processing benthic samples from mesohaline, polyhaline, and marine salinity zones to insure that all benthic samples are consistently prepared for biomass determinations and that all abundance and species identification data are in a form consistent with data entry needs. The Contractor shall follow all laboratory and QA/QC procedures outlined in the EMAP-NC Laboratory Methods Manual, October, 1992.
- Task 3:** Measure the silt/clay content from core sediment samples collected at approximately 660 stations. The Contractor shall follow all laboratory and QA/QC procedures outlined in the EMAP-NC Laboratory Methods Manual, October, 1992.
- Task 4:** Prepare a database containing all data produced during the completion of the tasks above. The database design shall be determined based upon information provided by the Work Assignment Manager, e.g., the overall EMAP information Management System design. Samples should be processed according to a priority ranking reflecting which samples will be needed first for the assessment of the Demonstration Project. The priority ranking will be established by the Work Assignment Manager.

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## **Exhibit 4-2**

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### **SAMPLE BACKGROUND/OBJECTIVE STATEMENTS**

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#### **Laboratory Research Support Project**

During the summer of 1993, the Environmental Monitoring and Assessment Program (EMAP) conducted a Demonstration Project to determine the effectiveness of selected physical, chemical, and biological parameters in describing the health of estuarine ecosystems extending from the mouth of Chesapeake Bay to Cape Henry. Approximately 225 sampling sites were visited over a 100-day period during the Demonstration Project.

Many of the biological, chemical, and sediment samples collected have yet to be analyzed. Analysis of these samples is important to adequately assess the design of the estuarine component of EMAP and to properly describe the status of estuarine resources within the Virginia Province. Of particular importance is the analysis of sediment samples.

The objective of this work assignment is to obtain Contractor laboratory support to process sediment samples taken at each test station. This support involves taking measurements and analyzing sediment samples to characterize bottom dwelling (benthic) animal communities in terms of their abundance, biomass, and taxonomic diversity. This also requires measurements to characterize the sediments themselves in terms of grain size, silt-clay content, and carbon concentration.

#### **Management Support Work Assignment**

Within the ORD, the National Health and Environmental Effects Research Laboratory (NHEERL) has been assigned primary responsibility for the Environmental Monitoring and Assessment Program (EMAP). EMAP is a complex and ambitious program to document and establish a long-term monitoring regime for the nation's ecological resources. EMAP is intended to serve the needs of decision makers at EPA and other Federal agencies, scientists and researchers, and a variety of other user communities.

Management systems for EMAP are extraordinarily complex because the program is a new, technologically challenging monitoring activity, with a nation-wide sphere of operations. Also, EMAP has been established as a matrix-managed program, which places it somewhat outside the direct control of the traditional lines of authority in the ORD laboratory structure. As an EPA research program EMAP must function within ORD. Therefore, EMAP must develop innovative management systems that allow it to function as a matrix-managed program and are consistent with the line management structure of ORD. These management challenges require special attention, analysis, and support.

The objective of this work assignment is to obtain Contractor assistance to develop and revise documents describing EMAP organizational responsibilities, communications guidelines and administrative procedures, based on information provided by an EMAP Management Task Group.

ORD's "business" is research and development. With research and development, it is not always possible to specify in advance what the outcome of a project will be. This element of uncertainty adds difficulty to the WAM's task of writing a clear, completion oriented statement of work.

How can a WAM deal with a requirement in which the outcome will only become apparent as the work proceeds? One effective approach is to organize the work incrementally, issuing technical direction to definitize the work as the requirements become clearer. Each technical directive would build on the results of the previous one. Alternatively, the WAM could issue successive work assignments, but the technical direction approach is preferable, especially on research type projects, since it requires less administrative processing effort. Module 7 describes the issuance of technical direction in more detail.

#### **(4) Deliverables and Project Schedule**

All deliverables should be listed along with their schedule. Due dates should normally be listed in terms of elapsed months, weeks or days from the issuance of the work assignment. If there are critical deadlines, actual dates may be specified, recognizing that a delay in issuing the work assignment may require that these be changed. **Both draft and final deliverables should be identified**, where appropriate. While this is often implied in the work statement, it is better to make this explicit, as it will have time and cost implications.

Although it is listed on the work assignment cover sheet, the end date of the overall project may be specified for completeness.

As indicated earlier, the project work plan should be listed as a separate deliverable. The due date is specified in the contract under the standard work assignment clause, and is generally two or three weeks from the receipt of the work assignment.

**Deliverable acceptance criteria** should be specified for each deliverable or category of deliverable. Examples of acceptance criteria were given earlier in Section D, Planning the Work Assignment.

(Note: For work assignments involving ADP services, the WAM should include in the **acceptance criteria** requirements for conformance to design and documentation standards established by the Office of Information Resources Management (OIRM)).

#### **(5) Management Controls (as required)**

If sufficient management controls are not provided in the contract or in the Justification for Sensitive and/or Vulnerable Services, such controls should be included in the WA SOW. Such controls may be specified to ensure that (1) the Contractor's products are appropriately reviewed before use by EPA, (2) the Contractor's analyses are based upon information and guidance supplied by the WAM and other EPA staff, and (3) the Contractor's data sources and assumptions in performing analyses are documented. This is particularly important in work assignments requiring products which are to be used by the Agency in decision making or which involve sensitive services. Note that even if such controls are already included elsewhere (e.g., in the contract), the WAM may elect to include these in the WA SOW for reinforcement.

An example of a statement on management controls is: The Contractor's analyses shall be based on information provided to the Contractor through the WAM by various EPA organizations. The Contractor shall document specifically all data sources and assumptions in performing analyses and preparing reports. The work products are for use by EPA/ORMA staff in selecting operational improvements. The WAM will coordinate review of all products by ORMA and other designated EPA organizations; ORMA management will approve all products before use. ORMA reviews will be at several levels besides the WAM. Final decisions on report content will be made by ORMA and communicated to the Contractor by the WAM.

**(6) Estimated LOE Hours; Name of Work Assignment Manager**

These items are listed on the work assignment cover sheet. However, the estimated professional/technical hours (often expressed as a not-to-exceed number), and the name, address and telephone number of the WAM may be included in the SOW for completeness. The estimated LOE hours do not include clerical hours.

**(7) Quality Assurance Requirements**

For projects involving environmental data collection, quality assurance requirements should be specified. These can be provided in a separate section or as part of the tasks and deliverables.

The contract under which the work assignment is issued should already have a **Quality Assurance Program Plan** in place. That plan describes the structure and functional responsibilities for quality assurance within the Contractor's organization. The WAM needs to be familiar with the QA requirements of the contract in order to plan for QA at the work assignment level.

QA planning at the work assignment level is a joint effort between the WAM and the organization's QA Manager. The QA Manager is responsible for adapting guidance issued by EPA's Quality Assurance Division and assisting the ORD organization in: (1) developing the organization's internal Quality Management Plan; (2) developing and monitoring QA requirements for Contractors and other extramural entities. The WAM should contact his/her Quality Assurance Manager or the Quality Assurance Division to discuss any questions or issues pertaining to QA.

The primary tool used by the WAM and the QA Manager to guide and document the planning is the **Quality Assurance Review (QAR)** form. The QAR form will eventually be included in the Work Assignment Package. An example of a QAR form used by one laboratory is shown in Exhibit 4-3. The form assists the WAM and QA Manager in determining:

- Whether the work assignment will require quality assurance activities
- The nature of the QA/QC activities.

Other laboratories and centers have developed their own QAR forms, which contain similar information.

Exhibit 4-3  
QAR FORM FOR WORK ASSIGNMENT

**Q A**

**QUALITY ASSURANCE REVIEW FORM**

SUBTASK TITLE (Complete - No abbreviations)

Task/Subtask # 94-3

☒ New

☐ Continuation

Near Coastal Sediment and Macrobenthic

Community Assessment

Subtask Type: ☐ Contract ☐ IAG ☐ CA ☐ TD ☒ WA ☐ In-House

Is data collection required? ☒ Yes ☐ No

Instructions: If yes, complete A-D. If No, skip to D. Sign form and submit with Procurement Request.

**Subtask Quality Assurance (QA) requirements**

**A. Select appropriate requirement(s) (include same in SOW):**

1. Submission of a written QA Program Plan is to be included in the proposal.

Yes ☐ No ☒

2. Submission of a written QA Project Plan is required:

- a. as part of the offeror's proposal  
b. as part of the award agreement (delivery date negotiable)  
c. as part of the work assignment or technical directive.

☐ ☒  
☐ ☒  
☒ ☐

If this is a continuation and QA Project Plan prepared previously, give the following:

68-D1-0772

94-3

Contract No.

Task No.

3. Submission of a written QA Narrative Statement is required:

- a. as part of the offeror's proposal  
b. as part of the award agreement (delivery date negotiable)

☐ ☒  
☐ ☒

4. Conduct of a pilot study including assessment of data quality is required:

- a. as part of the offeror's proposal  
b. as part of the award agreement (completion date negotiable)

☐ ☒  
☐ ☒

**B. Select the appropriate audit requirements and attach your audit schedule (include same in SOW)**

1. Management Review (site visit)

☒ No

☐ Pre-Award

☐ Post-Award

2. Systems Audit

☐ No

☐ Pre-Award

☒ Post-Award

3. Performance Audit

☐ No

☐ Pre-Award

☒ Post-Award

4. Audit of Data Quality

☐ No

☒ Yes

**C. Select the appropriate QA/QC report/output requirements (Include same in SOW)**

- ☒ Interim Quality Control Evaluation Report (frequency monthly)  
☒ QC Outputs (lists included in SOW)  
☒ Audit Reports (schedule included in SOW)  
☒ Final Quality Control Evaluation Report (required as part of EPA Report)  
☒ SOP  
☐ User's Manual

**D. Select appropriate QA Code for this task (see reverse side for definitions):**

☒ 01 Significant Data Collection

☐ 03 Modeling Research & Software Development

☐ 02 Applications Testing & R&D

☐ 04 Nonmeasurement & Administrative Activities

The signatures below verify that the QA Requirements for this Subtask have been established as indicated above.

Subtask Project Officer

QA Manager

Signature

Date

11/6/93

Signature

Date

11/7/93

A copy of this form (signed by the Subtask Project Officer) must be included with the EPA Form 1800-8

Procurement Request/Requisition, submitted to the AREAL Operations Staff for new contract procurements and work assignments or technical directives issued on current contracts. Upon obtaining the signature of the AREAL QA Manager, copies will be distributed to the appropriate procuring office (CMD or GAD) and the Subtask Project Officer. Incremental funding actions do not require the submission of this form.

The QAR form indicates whether the Contractor is required to submit a **Quality Assurance Project Plan (QAPP)**. If the work assignment is part of a larger project, such as EMAP, individual work assignments may not have the requirement for a QA Project Plan. The Contractor would be required to comply with the Plan for the overall project. In contrast to the Quality Assurance Program Plan which describes the QA organization and staff responsibilities, the QA Project Plan describes the specific technical activities to ensure that the environmental data used or produced in the work assignment meet the appropriate standards. Examples of such technical activities include sampling procedures; analytical procedures, data reduction, validation and reporting; and calculation of data quality indicators.

Different levels of detail are required in QA Project Plans, depending on the category of project, e.g., enforcement support, technology development. The QAR form indicates the project category.

It is the responsibility of the WAM to specify the standards for the data in the SOW for the work assignment. The standards, involving data quality objectives (DQOs) and data quality indicators, provide the basis for evaluating Contractor QA effectiveness. It is the Government's responsibility to establish the objectives, not the Contractor's. If the WAM is uncertain how to establish DQOs for a project, or what QA/QC reports to require to ensure that the data meet the objectives, the QA Manager may be able to provide help or to identify someone else in the Agency who can. The WAM should seek whatever assistance is necessary to ensure that the QA requirements for the work assignment are clearly described in the SOW.

Note that data quality objectives and data quality indicators are different. DQOs are statements that clarify technical and quality study objectives, define the appropriate type of data, and specify tolerable levels of potential decision errors that will be used as the basis for establishing the quality and quantity of data needed to support decisions. DQOs are used to develop specifications for data quality indicators, which characterize the quality of the data (e.g., precision, bias, completeness, representativeness, and comparability).

Quality Assurance or Quality Control (QC) reports or outputs that may be put in place specifically for a work assignment include:

- Interim Quality Control Evaluation Reports
- QC Outputs
- Audit Reports
- Final QC Evaluation Report.

For example, the contract may specify that the combined monthly technical/financial progress report will include QA/QC information. The WAM and QA Manager, based on evaluation of the QA needs of the work assignment, might conclude that the need exists for more specific quality control audit information for this particular project. The WAM may thus need to write additional QA requirements into the SOW for the work assignment.

If the quality assurance requirements include QA or QC audits or reviews of one Contractor performed by another Contractor, the WAM needs to be aware of the restrictions and controls on such external QA.

A more detailed description of quality assurance requirements, practices and terminology and acceptable Contractor roles in QA is presented in Appendix B.

### **Additional (Optional) Elements**

#### **(1) Personnel Qualifications**

Although the Government cannot tell a Contractor which staff to assign to a work assignment, it can specify certain staff qualifications. While it is not common, the statement of work can also require that resumes be provided of proposed staff for certain specialized tasks. An example of personnel qualifications is:

Due to the unique nature of the EMAP program, a detailed understanding of matrix-managed programs is essential to the work described in the statement of work. Contractor staff must have a thorough knowledge of this aspect of management and must be familiar with the range of problems faced by this type of organization.

#### **(2) Required Additional Reports**

The WAM may specify additional progress reports beyond the standard monthly combined technical/financial progress reports called for in the contract. These may include, for example:

- Weekly oral reports or brief bi-weekly written reports
- More detailed financial reports, e.g., list of hours by staff member
- Requirement to notify the Government when 75 or 80 percent of the funds for the work assignment is expended.

The WAM should review any additional reporting requirements with the Project Officer. The WAM must balance the additional benefits to be gained by such reports with the additional Contractor costs and the time required by the WAM to review them. Frequently, such requirements are established for the contract as a whole, through a modification to the contract. Module 8 discusses additional financial reports in more detail.

#### **(3) Suggested Skill Mix**

The WAM may elect to break down the estimated professional/technical hours by staff category as a means of providing additional guidance on the nature of the work. This would generally be done only for certain specialized work assignments where the information would be critical for the Contractor.

#### **(4) Required Format for Deliverables**

The WAM may require that deliverables must be submitted using certain

software. For example, Word Perfect compatible disks may be required with certain final reports. Data bases may be required to be developed in dBase, Focus or Oracle. This requirement can be expressed in the sections on deliverables or tasks or as a separate item.

An example of such a requirement is as follows:

Unless otherwise specified, any deliverables that are produced on personal computers will use the following software and conventions:

Word Processor: WordPerfect 5.1 or higher  
Data Bases: dBase IV, Lotus 3.01 or FOXPRO 2.6  
Diskettes: 3 1/2" High Density

#### **(5) Government-furnished Data and Property**

If the Contractor requires access to Government data to adequately perform the work, the necessary information can be included in the statement of work. If the information is too lengthy, it can be included by reference. Examples include:

- Selected data quality objectives for sample measurements of environmental data.
- Selected Agency regulations, policies or directives.

Also included here is a list of any Government-furnished property. This requires a special justification, as discussed later in this module.

#### **(6) Special Requirements or Restrictions**

This can include a range of items, including;

- Requirements for special equipment or laboratory facilities.
- Requirement to obtain Government approval of a certain deliverable before proceeding with a certain task.
- Requirement for approval of use of certain data base software before analyzing data.

#### **(7) Evaluation Criteria for Award Fee Contracts**

While award fee criteria are specified in the overall contract, the WAM may elect to specify the evaluation criteria in the individual work assignment. This can be useful to the WAM in a subsequent task of preparing a performance event report for the work assignment (see Module 9). It can help motivate the Contractor by reinforcing the concept of evaluation for each work assignment. Essentially this refines the criteria in the award fee plan by applying it to a particular work assignment. However, this must not change the award fee plan.

An example of award fee criteria for an individual work assignment is presented in Exhibit 4-4.

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**Exhibit 4-4**

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**AWARD FEE CRITERIA FOR INDIVIDUAL WORK ASSIGNMENT**

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**Evaluation Criteria**

1. **Timeliness (15 points)** Evaluated in terms of the schedule outlined in the deliverables.
2. **Responsiveness to technical direction (25 points):** Evaluated in terms of how well the Contractor follows the directions outlined in the statement of work and referenced methods, and QA Project Plan documents. This includes compliance with reporting requirements.
3. **Quality (35 points):** Evaluated in terms of the presentation of the results of the Quality Control criteria for the data evaluated. Reports of independent audits done as Quality Control checks documented in the referenced method, and QA Project Plan documents accompanying the formatted data in the final report will be used to evaluate the quality of the data analyses.
4. **Cost Effectiveness (10 points):** Evaluated in terms of the Contractor's ability to complete the work described in the statement of work within the work plan budget.
5. **Ingenuity and Resourcefulness (15 points):** Evaluated based upon the Contractor's ability to develop creative ways of accomplishing the work and to develop corrective actions to resolving problems.

**Scoring**

Each evaluation criterion for the work assignment shall be rated using the five point scale presented below. The percentage of award fee earned for each rating score is shown.

<u>Rating</u>	<u>Description</u>	<u>% of Award Fee Earned</u>
5	Outstanding	100
4	Exceeds Expectations	80
3	Satisfactory	0
2	Marginal	0
1	Unsatisfactory	0

Applying the award fee percentage earned for each evaluation criterion will establish an overall score for the work assignment. This will be considered along with the other work assignments in determining the overall award fee for the Contractor for the period.

## **4. Avoiding Contracting Improprieties and Vulnerabilities**

### **(1) Personal Services**

In preparing the statement of work, the WAM needs to be aware of certain factors which could constitute or create the appearance of personal services. These include:

- **Non-specificity of work assignment**

If the work assignment is broadly worded, without specific and clearly defined tasks and deliverables, this may require the WAM to provide extensive direction to the Contractor to perform the work. Even if such direction is documented through technical direction, the additional and frequent interaction may create the appearance of supervision and thus personal services.

- **Unclear Contractor responsibilities**

Tasks which call for the Contractor to "assist" the Government in performing a function may create the appearance of personal services, unless the **specific Contractor responsibilities** (tasks and deliverables) are made clear. For example, a task which called for a Contractor to "assist a laboratory committee in revising an EMAP "Methods Manual" would be unacceptable as stated. The task would need to describe specifically the responsibilities of the Contractor. The task description might be phrased as follows:

"Based on review of current manuals and inputs from the Laboratory Committee, the Contractor shall prepare draft revisions of Chapters II, III, and IV of the EMAP Methods Manual. Following review and receipt of written comments by the Government, the Contractor shall submit a camera ready copy of the relevant chapters plus five additional copies."

The WAM can use the checklist contained in Module 3 to ensure that the statement of work does not create the existence or appearance of personal services.

### **(2) Inherently Governmental Functions**

The WAM should review the Statement of Work to ensure that it does not contain any prohibited Contractor services as stated in EPA Order 1900.2, Chapter 2 of the CMM and OFPP Policy Letter 92-1. For example, the WAM should not ask the Contractor for any assistance in preparing the SOW. This includes asking the Contractor for estimates of the costs to perform the work assignment or any part of it. If the services are in the sensitive or vulnerable category, the WAM and Project Officer should confirm that a justification has been prepared and approval obtained from the Senior Resource Official. This would normally be done for the contract as a whole before contract award.

The WAM can use the checklist in Module 3 to review the SOW in terms of inherently Governmental functions.

**(3) Organizational Conflict of Interest**

The WAM should confirm that the performance of the work assignment does not represent an organizational conflict of interest for the chosen Contractor. If there are any doubts on this issue, the WAM should check with the Project Officer.

**5. Checklist for Evaluating Statement of Work**

Exhibit 4-5 presents a checklist that the WAM can use to ensure that the statement of work is complete and is not subject to contracting improprieties and vulnerabilities.

## Exhibit 4-5

### WA STATEMENT OF WORK REVIEW CHECKLIST

1. Requirements are consistent with the scope of work of the contract (requires coordination with Project Officer). Indicate relevant section(s) of contract SOW \_\_\_\_\_ ( )
2. Background statement provides sufficient information to enable understanding of context of the project. ( )
3. Objective(s) are clearly stated ( )
4. References (e.g., to Research Project Plan) are included, as appropriate. ( )
5. Tasks or task areas are listed and described and are consistent with the background/objectives. ( )
  - Scope of Contractor requirements is clear. ( )
  - Responsibilities of Contractor and Government are clear. ( )
  - Information to be made available to Contractor is indicated. ( )
6. Deliverables are listed and described. ( )
  - Schedule (due dates) for each deliverable are specified and realistic. ( )
  - Draft and final deliverables are listed, as appropriate. ( )
  - Acceptance criteria are specified, as appropriate. ( )
  - Electronic format is specified, as appropriate ( )
  - Copying requirements do not exceed the printing limitations, by deliverable. ( )
7. Overall period of performance is provided. This does not exceed period of overall contract. ( )
8. Management controls are described, indicating how EPA will ensure adequate input to and review of Contractor work. ( )
9. Staff requirements are specified, as appropriate. ( )
10. Quality assurance requirements (e.g., data quality objectives, audit requirements) are provided, as appropriate. ( )
11. Special requirements (e.g., additional reports) are specified, as appropriate. ( )
12. Services do not create appearance of personal services. ( )
13. Services do not include inherently governmental functions. ( )
14. Services do not represent organizational conflict of interest for proposed Contractor. ( )

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## **F. DEVELOPING THE GOVERNMENT COST ESTIMATE**

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### **1. Introduction - Purpose of the Government Cost Estimate**

The WAM must provide, with the statement of work, an estimate of the total Contractor costs to perform the work assignment. This is often called the **Independent Government Cost Estimate (IGCE)** and is required for all work assignments over the simplified acquisition threshold.

The Government cost estimate serves several purposes:

- It supports budgeting for the laboratory/center/office.
- It provides a basis for reviewing the Contractor's technical work plan and cost estimate.
- It supports an audit trail of the factors that went into the planning of the project.

If an independent Government estimate is not provided, the WAM is placed in the position of having the Contractor's cost proposal define the budget for the project. The Contractor may be proposing a substantially greater effort or more costly mix of personnel than the WAM believes are needed for the project. The higher cost, in conjunction with the costs of other work assignments, may cause the total ceiling of the contract or the overall contract budget for the branch or section to be exceeded. The Contractor's cost estimate may in fact be reasonable, but without a basis for comparison, judging reasonableness may be difficult.

Also, the absence of independent Government cost estimates for some work assignments was found to be a vulnerability in the Acquisition Management Improvement Reviews. **Thus, it is essential that the WAM develop this estimate.**

This section describes procedures for developing the Government cost estimate. Initially to provide a framework for understanding these methods, the different types of EPA contracts and cost elements are discussed.

### **2. Contract Types**

There are several ways of categorizing EPA contracts. For example, Chapter 3 of the *Agency Contract Administration Training Manual* lists the following types of EPA contracts:

#### **(1) Cost reimbursement**

The Government reimburses the Contractor for the actual costs of performing the work. This contract type includes two major subcategories:

- **Cost-plus-fixed-fee (CPFF)** - The Government pays reasonable, allowable and allocable costs plus a negotiated fee fixed at the beginning of the contract. The fixed fee does not vary with actual costs, but may be adjusted for changes in work to be performed. Typical fees are in the 7-8 percent range.
- **Cost-plus-award-fee (CPAF)** - The Government pays reasonable, allowable and allocable costs plus a base fee (0-3 percent) that does not vary with performance, plus an award fee based on the Government's evaluation of Contractor performance. The objective is to motivate the Contractor. Many EPA research support type contracts use the CPAF mechanism. An additional effort is imposed on the WAM and the Project Officer to formally evaluate Contractor performance on a regular basis to establish the award fee amount.

Both CPFF and CPAF contracts may be structured in two basic forms:

- **Level-of-effort (LOE)** - In this type of contract, also called a **term form** contract, the work is specified in general terms, and the Contractor is obligated to devote a specified level of effort for a stated period of time. Specific tasks or projects are given to the Contractor through the issuance of work assignments, managed by Work Assignment Managers.

Under an LOE contract, work assignments should specify specific products or services to be provided. However, the basic obligation of the Contractor is to provide a certain number of hours.

EPA uses LOE contracts extensively for "mission type" contracts. Mission contracts are multi-year contracts with broad statements of work which are administered by issuing either work assignments or delivery orders.

- **Completion form** - A completion form contract defines the scope of work as a clearly defined task with a specific end product. The basic responsibility of the Contractor is the delivery of the end product as opposed to a specified level of effort. The Contractor is expected to complete the work within the negotiated estimated cost. If this cannot be done, the Government may elect to continue the work provided it increases the estimated cost.

Note that most fixed price contracts and delivery orders under time-and-materials contracts can also be classified as completion form, since the basic requirement is to deliver a product or service, as opposed to a number of hours.

## **(2) Time and Materials (T&M)**

The Government pays a fixed rate for each hour of direct labor worked on the contract up to a negotiated ceiling on the total price. Labor rates are "**loaded**," i.e., they include salary, overhead, general and administrative (G&A) expense and profit. Typically, labor rates are established for different

levels of personnel. Materials costs, as well as other direct costs such as travel are billed at actual cost; in some cases, they may include a handling cost, such as General and Administrative (G&A) expense.

A special variation of a time and materials contract is a **labor hour** contract; the only difference is that labor hour contracts do not include materials. The two terms are often used synonymously.

Where all the required work is not known at the outset, time and materials contracts are definitized through the issuance of delivery orders, managed by Delivery Order Project Officers.

### **(3) Indefinite Quantity**

This type of contract is used when the exact quantity of a product or service to be delivered is not known at the time of award. The contract guarantees that the Government will order at least the minimum quantity of supplies or services. The Contractor must provide the minimum quantity plus additional quantities up to a ceiling specified in the contract.

An indefinite quantity contract may use any of several cost structures, including:

- Fixed loaded labor rates, as in a time and materials contract
- Cost reimbursement
- Fixed rate or fixed price for the supplies or services

Indefinite quantity contracts are definitized through the issuance of delivery orders

When the time and materials method of billing is used, an indefinite quantity contract may, in fact, be classified as a time and materials contract.

Indefinite quantity contracts are frequently used within EPA for the procurement of animals or equipment on research projects. In such cases, a fixed price per item is established. They may also be used for the procurement of services, such as computer services or management consulting. In these cases, the time and materials method is used.

### **(4) Fixed Price**

The Government pays a fixed price (established before award) which is not subject to adjustment regardless of the Contractor's cost performance. This method is always used for **simplified acquisitions**, *i.e.*, contracts with a value of \$100,000 or under, and may be used for other contracts with definitive specifications.

(**Note:** The Federal Acquisition Streamlining Act (FASA) of 1994 and the Federal Acquisition Reform Act of 1996 provided for raising the dollar limit of simplified acquisitions (previously called small purchases) from \$25,000 to \$50,000 and then to \$100,000. The \$100,000 limit was implemented in August 1996. For agencies which have not demonstrated electronic purchasing by the year 2000, the level reverts to \$50,000.)

Regarding the above contract types, **Work Assignment Managers assist in managing LOE contracts (either CPFF or CPAF).** Work assignments issued to a Contractor specify the estimated level of effort in the statement of work. While the Contractor is expected to provide the services and products specified, the basic obligation is to provide the specified labor hours.

**Delivery Order Project Officers assist in managing time and materials or indefinite quantity contracts** Delivery orders issued to a Contractor specify the required items or, for services, the estimated level-of-effort and the ceiling cost for the delivery order. For services, the Contractor is required to perform the project until the required work is completed or the total ceiling cost is expended.

#### **(5) Severable and Non-Severable Services**

Another way of classifying contracts for services is whether the services (or individual work assignments or delivery orders) are severable or non-severable.

A contract is considered **severable** if there is a direct relationship between the required performance and a specific time period. Severable contracts generally require performance of services throughout a period of time rather than by a certain date. Services under cost-reimbursement, LOE contracts are generally defined as severable. The services must stop at the end of the contract period of performance (usually the end of the fiscal year) regardless of the stage of project completion or the availability of funding in the contract. Ways to continue the work through the issuance of "new" work assignments in the next fiscal year and the carryover of funds are discussed in Module 8.

(Note: In some contracts, the contract base or option period crosses fiscal years; in such cases, work assignments may extend to two fiscal years. Also, some contract periods may be for greater than one year, e.g., from April 1, 1994 to September 30, 1995.)

Contracts are **non-severable** if the performance focuses on completion of the required work rather than providing effort over a period of time. Non-severable contracts tend to involve non-repetitive services or products where there is a definitive work scope which cannot be fragmented by time period. Completion from cost-reimbursement, fixed price contracts, and most delivery orders under time-and-materials and indefinite quantity contracts are non-severable. For example, a delivery order involving a research modeling study would be non-severable. In contrast, a delivery order calling for the operation of a hot line would be severable.

Under non-severable delivery orders, the work can continue into the next performance period to allow for the completion of the project. In contrast to work assignments, the funds for a non-severable delivery order may be expended until the work is completed.

As indicated above, usually even a very concrete work assignment is considered to be severable because it is issued under a LOE contract. Nevertheless, WAMs should always strive to prepare work assignments with completion-type specificity.

### 3. Elements of Contractor Costs

Before presenting methods for estimating costs, it is useful to define the various elements of Contractor costs.

- (1) **Direct Costs** are directly identifiable to a specific project. As indicated in FAR 31.202, they include direct labor, and other direct costs (ODCs).
  - **Direct Labor** represents the actual wages paid to the Contractor's employees for their work on the contract. Most ORD contracts specify various labor categories which are expected to be required on the contract. For example, a contract scope of work might specify the following categories:

Professional Level 4 - Project manager or senior environmental scientist with a Ph.D. or equivalent and 10 or more years of experience.

Professional Level 3 - Environmental scientist with an M.S. degree or equivalent and 6 to 12 years of experience.

Professional Level 2 - Environmental associate with a B.S. degree or equivalent and 3 to 8 years of experience.

Professional Level 1 - Junior associate with a B.S. degree or equivalent and 3 years or less experience.

Technical Level 3 - Senior environmental technician with 3 to 6 years of experience.
  - **Other Direct Costs** are costs, other than labor, that can be attributed directly to the project. Examples are travel, equipment, copying, subcontractors, telephone and computer time.
- (2) **Indirect Costs** are costs of operating the business. As defined in FAR 31.203, they are not associated with one particular contract but apply to multiple contracts of a company. Indirect costs include fringe benefits, overhead, and general and administrative expense.
  - **Fringe Costs** are costs associated with sick leave, annual leave, insurance contributions, and other "fringe benefits" for the Contractor's employees. Fringe benefits are generally calculated in the form of a percentage of direct labor costs.
  - **Overhead** includes costs such as rent, furniture, supplies, business equipment, marketing costs, and non-direct secretarial support costs.

Many companies have separate overhead rates for Government and private sector work, as well as different Government overhead rates, based on whether the work is performed at the Contractor (off-site) or Government

(on-site) location The on-site rate will most likely be lower, since office space, furniture and equipment will be furnished by the Government.

Overhead costs (rates) are usually expressed as a percentage of the direct labor and fringe costs. Many companies combine fringe and overhead costs into one rate.

- **General and Administrative Expenses (G&A)** include the administrative costs of operating the business. This typically includes the costs of the company's president or other senior officers, as well as labor and other costs for financial, personnel, legal and other administrative support. G&A is expressed as a percentage of the sum of labor costs, fringe costs, overhead costs, and ODCs. Many companies combine overhead and G&A costs into one rate. The classification of costs as overhead or G&A may vary somewhat by company.

- (3) **Fee** is the amount the Contractor earns above its costs on a contract. The fee is the Contractor's profit The fee percentage is applied to the sum of all of the above costs.

As indicated earlier, this is usually one figure, but on CPAF contracts, it includes a base fee and an award fee.

Note that in an LOE contract, once the overall fee is negotiated, fee is paid as invoices are submitted based on the percentage of work completed. This is the ratio of the direct LOE labor hours performed in a given period (usually a month) to the direct LOE labor hours authorized for the contract period. As indicated earlier, the LOE hours do not include clerical hours. However, clerical hours are often included in a Contractor's direct labor charges.

#### **4. Methods of Developing the Government Cost Estimate**

There are several methods a WAM can use to estimate the cost of a work assignment. These methods involve varying levels of complexity. The method should be selected based on consideration of such factors as the mix of personnel, differences in labor rates for different personnel categories, amount of other direct costs, whether the work is being done on-site or off-site, etc.

(Note: In selecting the cost-estimating method, the WAM should check to determine if the cognizant C O has established any specific requirements or guidelines. For example, CMD-Cincinnati issued cost-estimating guidelines in February 1993 that are very similar to the second approach described below - the average loaded labor rate method. That guidance presented forms and instructions, but indicated that other similar methods and forms may be used. WAMs and POs may also wish to review the cost estimating guide issued by the Office of Acquisition Management in June 1994. That guide is more oriented to estimating for new contracts, but presents comparable guidance.)

**In all of these methods the first and the most important step is to estimate the direct labor hours required.** Procedures for developing the labor hour estimate are presented below. Following this discussion, three alternative methods of estimating work assignment costs are presented, in increasing order of complexity.

## **(1) Estimating Direct Labor Hours**

In this step, the WAM estimates the labor hours by personnel category and total to perform the work assignment. The Direct Labor Planning Worksheet shown in Exhibit 4-6 can be used to prepare this estimate. The procedures are as follows:

- Identify and list the major work assignment tasks across the top of the page. These tasks should be the same as in the statement of work, but may be expanded into subtasks if the WAM believes it necessary to accurately estimate hours.
- List the staff categories expected to be required down the first column. These may be obtained from the Project Officer, from reviewing the contract or previous work assignments, etc.
- Estimate the hours required by each personnel category to perform each task. In doing this, consider:
  - The length of the task
  - The particular work activities required
  - The number of people, full-time or part-time, expected to be required

As an aid to developing this estimate, you may wish to indicate the length in weeks or months of each task on the chart.

- Sum the labor hours by task to estimate the total labor hours by staff category and for the whole work assignment.

The above process is not a simple activity. It requires careful thought as to what work will be required and how it will be approached. There are several ways, however, that this process can be shortened. For example:

- If the project is very similar to one that was conducted in the past, you may estimate the total hours based on the prior effort with minor adjustments based on new requirements.
- If the number of staff categories is few (e.g., P4 and P3) you may estimate the total hours by task (or overall), and then apportion the total by staff category based upon experience.
- If the project will involve a fairly level concentrated effort, especially if the project is on-site, you may estimate the number of people required for a given period (e.g., 6 months), adjusting for full- or part-time staff. For example, you may judge that the project requires a P-4 project leader half-time for 6 months, a P-3 scientist full-time for 6 months and a T-3 technician full-time for 6 months.

**Exhibit 4-6**

**PLANNING WORKSHEET:  
ESTIMATING LABOR HOURS  
(BASE METHOD)**

**Contract No.:** \_\_\_\_\_ **Contractor:** \_\_\_\_\_

**Work Assignment No.:** \_\_\_\_\_ **Work Assignment Title:** \_\_\_\_\_

<b>Labor Hours by Task</b>							
<b>Task</b>							
<b>Professional Level</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>Total</b>
<b>4</b>	16	40	120	120	80	80	456
<b>3</b>	16	120	240	240	200	80	896
<b>2</b>							
<b>1</b>							
<b>Technical Level</b>							
<b>4</b>							
<b>3</b>		80	240	320	240	40	920
<b>2</b>							
<b>1</b>							
<b>Total</b>	32	240	600	680	520	200	2,272

- If the estimate is based primarily on the length of time a staff category is expected to be required, assume an average of 160 hours per month for a full-time effort. This takes into account time off for leave and holidays. (Note: The actual effective available hours is typically closer to 155 hours per month, but 160 hours may be used for simplicity and is a more conservative figure.)

An alternative method, which combines some of the principles of the basic method with some of the "shortcuts" described above is shown in Exhibit 4-7. This is not as rigorous as the basic method, but is still fairly detailed. In this method, months (or weeks) are listed across the top and the tasks are listed down the first column. The steps in this process are as follows:

- Draw lines indicating the start and end dates of each task.
- Estimate the total hours (for all staff categories) required to complete the task. In this case the length of the task will be a driving factor. Thus, if a task is expected to require 2 months and you believe that 2 full-time people will be required, you would estimate a total of  $2 \times 2 \times 160$  hours = 640 hours.
- Sum the total hours by task to estimate the total hours for the project.
- Apportion the total hours by staff category based upon experience.

The WAM needs to select the method that best fits the requirements of the particular work assignment. The WAM should review prior work assignments and talk to other knowledgeable people in the laboratory/ office or the Contracting Office, as appropriate, to gain ideas in estimating the hours.

## (2) Estimating Costs - Overall Loaded Labor Rate Method

This is the **simplest** method of estimating total work assignment costs. In this method, the WAM would multiply the total labor hours developed above by a **single overall "loaded" labor rate** for the contract. This rate includes the Contractor's fringe, overhead, G&A, fee and other direct costs. Clerical costs are also included in this figure. It does not distinguish among different labor categories. Thus, for example, if the total estimated labor hours for a work assignment were 800 and the overall loaded labor rate were \$65.50, then the total estimated cost for the work assignment would be \$52,400, which could be rounded to \$53,000.

Exhibit 4-8 presents a worksheet for estimating costs using this method.

**Exhibit 4-7**

**PLANNING WORKSHEET:  
ESTIMATING LABOR HOURS  
(ALLOCATION METHOD)**

**Contract No.:** \_\_\_\_\_ **Contractor:** \_\_\_\_\_

**Work Assignment No.:** \_\_\_\_\_ **Work Assignment Title:** \_\_\_\_\_

Task	Month												
	0	1	2	3	4	5	6	7	8	9	10	11	12
Task 1: Hours	32												
Task 2: Hours	240												
Task 3: Hours		640											
Task 4: Hours			640										
Task 5: Hours				480									
Task 6: Hours					240								
											Total WA Hours: 2,272		

Staff Level	Estimate of % of WA Hours	Estimated Hours
P-4	20%	454
P-3	40%	909
P-2		
T-3	40%	909

**Exhibit 4-8**

**COST ESTIMATING WORKSHEET:  
OVERALL LOADED LABOR RATE METHOD**

**Contract No.:**\_\_\_\_\_ **Contractor:**\_\_\_\_\_  
**Work Assignment No.:**\_\_\_\_\_ **Work Assignment Title:**\_\_\_\_\_

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Step 1 - Estimate total labor hours for work assignment \_\_\_\_\_ 2,272  
(from Direct Labor Hours Worksheet)

Step 2 - Determine overall loaded hourly labor rate \_\_\_\_\_ \$63.25

Step 3 - Multiply total labor hours by overall loaded \_\_\_\_\_ \$143,704  
labor rate = Total Estimated Costs

The WAM may obtain the overall loaded labor rate from several sources:

- From the Project Officer
- From the financial portion of the monthly progress report for similar work assignments performed by the Contractor or for the total contract. This report should indicate:
  - Total cumulative charges in each work assignment, and the total contract
  - Total professional/technical hours
  - Cumulative charges per professional/technical hour
- From the Contractor's cost proposal. This would require slightly more analysis. The WAM would need to divide the total estimated cost and fee for the contract by the proposed number of direct labor hours. This could be done for the whole contract (including all option years and option quantities) or on the base quantity for a given year. It is preferable that the costs for the current year be used for estimating. The WAM needs to ensure that subcontractor hours are included in the hour total. Clerical hours would normally not be included in the hour figure; their costs would be in the loaded rate.

While this method is rather general, it may give a reasonable "ballpark" estimate. This method may be desirable under the following circumstance:

- The labor mix is expected to be similar to the mix for other similar work assignments on which the loaded rate was based.
- The level of ODCs is expected to be fairly modest, e.g., less than 10 percent of the total project cost or comparable to the ODCs for other similar work assignments.

If the expected labor mix is substantially different from other work assignments (e.g., much greater involvement of P-4 level) or if there are substantial travel costs or other ODCs, then another method should be used or an adjustment should be made to the estimate to reflect these special cases. For example, if the Contractor were expected to acquire a major item of equipment costing \$5,000 and if such costs were rare on the contract, the WAM might wish to increase the \$53,000 figure estimated earlier to \$58,000.

### **(3) Estimating Costs - Average Category Loaded Labor Rate Method**

This method is more detailed than the overall loaded rate approach. In this method **loaded labor rates** are established for **each personnel category** including clerical. These rates reflect salaries, overhead, G&A and fee. These rates do not include ODCs; ODCs are estimated separately and added to the loaded labor costs.

The procedures for estimating costs in this method are as follows:

- Estimate direct labor hours for each personnel category (from Direct Labor Hours Worksheet). Clerical hours can be estimated at 5-15 percent of professional/technical hours.
- Determine average loaded labor rates for each personnel category (sources of these rates are indicated below).
- Multiply direct labor hours for each personnel category by the average loaded labor rate for that category.
- Add the loaded labor costs for each category to determine the total loaded labor costs for the work assignment.
- Estimate ODCs (procedures for estimating ODCs are described below).
- Add the loaded labor costs and the ODCs to determine the total costs for the work assignment.

Some contracts allow for G&A and fee to be applied to the ODCs. The WAM should check with the Project Officer to determine if this is the case. G&A rates typically range from 10 to 20 percent. Fees are usually in the 7 - 9 percent range. Thus, for example, if the G&A were 12 percent and the fee were 8 percent, the ODC estimate would be multiplied by a **G&A/fee factor** of  $1 \times 1.12 \times 1.08 = 1.21$ . If only fee were applied to ODCs, the ODC estimate would be multiplied by 1.08.

In this method, labor costs for subcontractors are generally included in the loaded labor costs as opposed to ODCs. If loaded labor rates for subcontractors are not listed separately in the contract, then a subcontractor "handling factor"<sup>1</sup> should be added to the labor costs if the work is envisioned as being performed by a subcontractor. The Project Officer can provide this factor. However, for simplicity, it might be best to assume that the work will be done by the prime Contractor, unless the subcontractor's costs are substantially different.

The WAM may obtain **average category loaded labor rates** from the following sources:

- From the Project Officer

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<sup>1</sup> Contractors vary in the markup applied to subcontractors. Some apply full G&A, some no G&A, and others apply a handling factor which is less than the full G&A. Most Contractors apply fee to subcontractor costs.

- For time and materials, delivery order contracts, directly from the contract (Loaded labor rates are listed for each personnel category.)
- From the Contractor's cost proposal, invoices or other financial reports. For cost-reimbursement contracts (including LOE contracts) loaded labor rates are not listed. Instead, the WAM or Project Officer would need to compute this figure, as follows:
  - Identify the **average salary rate** for each personnel category. This is usually listed in the cost proposal. Remember to use the **current year rate**. This can be estimated by multiplying the salary rate for the base year by the appropriate escalation factor. For example, if the average hourly salary rate for the P-3 category were \$27.00, you are in the first option year, and the escalation rate is 5 percent, then the average P-3 salary rate for the current year would be  $\$27.00 \times 1.05 = \$28.35$ .
  - Multiply the salary rate by a **load factor**, which includes fringe, overhead, G&A, and fee. These rates are given in the cost proposal. The result is the loaded labor cost for the personnel category.

For example, if the fringe were 30 percent, the overhead were 40 percent, the G&A were 12 percent and the fee were 8 percent, then the load factor would be  $1 \times 1.3 \times 1.4 \times 1.12 \times 1.08 = 2.2$ . If the average salary rate for a P-3 category were \$27, then the loaded labor cost for a P-3 would be  $\$27 \times 2.2 = \$59.40$ . If the Contractor had a separate overhead rate of 20 percent for on-site work, then the loaded P-3 rate for on-site work would be less - 1.89. If the Contractor had only one burden rate (including fringe, overhead and G&A) of 95 percent, then the load factor would be  $1 \times 1.95 \times 1.08 = 2.11$ .

**Other Direct Costs** may be estimated by applying a factor to the total loaded labor costs based on the estimate included in the cost proposal or the cost experience on the contract. For most work assignments, ODCs (except subcontractor costs) will generally not exceed 10 percent of loaded labor costs, unless there are special circumstances, such as heavy travel or purchase of equipment. The factor for on-site contracts would probably be less - 5 percent or less.

A more rigorous method of estimating ODCs is shown in Exhibit 4-9. The major categories of ODCs are:

- Travel - long distance and local
- Copying
- Telephone/facsimile
- Computer time
- Equipment and supplies
- Postage/express mail
- Other (e.g., messenger, training)

**Exhibit 4-9**

**PLANNING WORKSHEET:  
OTHER DIRECT COSTS**

**Contract No.:** \_\_\_\_\_ **Contractor:** \_\_\_\_\_

**Work Assignment No.:** \_\_\_\_\_ **Work Assignment Title:** \_\_\_\_\_

ODC Category	Task						Total
	1	2	3	4	5	6	
<b>Travel</b>							
<b>Long Distance</b>			2,000			2,000	4,000
<b>Local</b>							300
<b>Copying</b>			100	50	50	400	600
<b>Telephone/Facsimile</b>							450
<b>Computer Time</b>							300
<b>Equipment/Supplies</b>	1,500						1,500
<b>Postage/Express Mail</b>							450
<b>Other</b>							
<b>Total ODCs</b>							7,600

In estimating long distance travel costs, the WAM should consider the anticipated number of trips, the average air fare, and the number of days and rates of per diem and car rental. For example, if the Contractor is estimated to make 6 plane trips of 2 days each, then the long distance travel might be estimated as follows:

6 trips at \$500 air fare	=	\$3,000
6 trips at \$50 local travel	=	300
12 days per diem at \$100	=	1,200
12 days car rental at \$40	=	<u>480</u>
Total long distance travel	=	\$4,980

In lieu of a breakdown by task, certain ODCs such as local travel, copying, telephone and postage are often estimated by using an average total cost/month for the work assignment, e.g., \$200 - \$600/month. Thus, for a 6 month work assignment, these charges might total \$1,200 - \$3,600. Such charges would either not exist or would be much lower for on-site contracts.

For many work assignments, the application of a **percentage factor** for ODCs (e.g., 5-10%) is sufficient. The WAM needs to determine when to use the more detailed approach.

In general, the average category loaded labor rate method is useful in the following circumstances:

- Average category loaded labor rates are listed explicitly in the contract or are otherwise readily available. This is generally the case for time-and-materials, delivery order contracts.
- Significant amounts of ODCs are envisioned.
- The labor mix is expected to be substantially different from the mix on prior work assignments with the Contractor.

Exhibit 4-10 presents a worksheet for using the average category loaded labor rate method in estimating costs.

**Exhibit 4-10**

**COST ESTIMATING WORKSHEET:  
AVERAGE CATEGORY LOADED LABOR RATE METHOD**

**Contract No.:** \_\_\_\_\_ **Contractor:** \_\_\_\_\_  
**Work Assignment No.:** \_\_\_\_\_ **Work Assignment Title:** \_\_\_\_\_

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**Step 1 -- Estimate labor hours for each labor category**  
 (From Direct Labor Hours Worksheet)

**Step 2 -- Obtain average loaded labor rates for each personnel category**

**Step 3 -- Multiply labor hours for each personnel category by loaded hourly labor rate for the category**

<u>P-Level</u>	<u>Hours</u>		<u>Average Loaded Hourly Rate</u>		<u>Loaded Labor Cost</u>
<u>P-4</u>	<u>456</u>	X	<u>87.00</u>	=	<u>39,672</u>
<u>P-3</u>	<u>896</u>	X	<u>60.00</u>	=	<u>53,760</u>
<u>T-3</u>	<u>920</u>	X	<u>35.00</u>	=	<u>32,200</u>
<u>Clerical</u>	<u>120</u>	X	<u>31.00</u>	=	<u>3,720</u>
<u>      </u>	<u>      </u>	X	<u>      </u>	=	<u>      </u>
<u>      </u>	<u>      </u>	X	<u>      </u>	=	<u>      </u>

**Step 4 -- Sum loaded labor cost for each personnel category = total loaded labor cost** 129,352

**Step 5 -- Estimate ODCs (from factor estimate (    )% or**  
 from ODC worksheet) 7,600

**Step 6 -- Multiply ODCs by G&A/fee factor = loaded ODCs**

ODCs	7,600	
X G&A/fee factor*	<u>1.21</u>	
= Loaded ODCs		<u>9,200</u>

**Step 7 -- Add total loaded labor cost and loaded ODCs = result is estimated cost of work assignment** \$138,552

**\*Example is based on 12% G&A and 8% fee applied to ODCs.**

#### **(4) Estimating Costs - Full Costing Method**

This method is the most detailed approach to cost estimating. In this method, individual cost factors including labor costs, fringe benefits, overhead, ODCs, G&A and fee are applied explicitly to estimate total work assignment costs.

The method involves the following steps:

- Step 1 - Estimate direct labor hours for each personnel category (from Direct Labor Hours Worksheet)
- Step 2 - Determine average salary rates for each personnel category.
- Step 3 - Multiply direct labor hours for each personnel category by the average salary rate for that category. This gives total direct labor costs.
- Step 4 - Multiply total direct labor costs by the fringe rate. This gives fringe costs.
- Step 5 - Multiply total direct labor costs and fringe costs by the overhead rate. This gives total overhead costs.
- Step 6 - Add ODCs to the sum of labor, fringe and overhead costs.
- Step 7 - Multiply the above total by the G&A rate. This gives G&A costs.
- Step 8 - Add labor, fringe, overhead, ODCs and G&A costs. This gives total costs.
- Step 9 - Multiply total costs by the fee percentage. In a CPFF contract, this is the fixed fee. In a CPAF contract, the fee for estimating should be the sum of the base fee and the maximum award fee.
- Step 10 - Add the total costs and the fee amount. The result is the total estimated cost and fee for the work assignment.

If the Contractor does not have a separate fringe or G&A rate (e.g., fringe and overhead or overhead and G&A are combined), then the corresponding steps are omitted.

Exhibit 4-11 presents a worksheet for estimating costs using the full costing method.

**Exhibit 4-11**

**COST ESTIMATING WORKSHEET:  
FULL COSTING METHOD**

**Contract No.:**\_\_\_\_\_ **Contractor:**\_\_\_\_\_  
**Work Assignment No.:**\_\_\_\_\_ **Work Assignment Title:**\_\_\_\_\_

**Step 1 -- Determine labor hours by personnel category (from Direct Labor Hours Worksheet)**

**Step 2 -- Determine average salary rate for each personnel category**

**Step 3 -- Determine total direct labor costs**

<u><b>P-Level</b></u>	<u><b>Hours</b></u>		<u><b>Unloaded Labor Rate</b></u>		<u><b>Labor Cost</b></u>
<u>P-4</u>	<u>456</u>	X	<u>40.00</u>	=	<u>18,240</u>
<u>P-3</u>	<u>896</u>	X	<u>27.00</u>	=	<u>24,192</u>
<u>T-3</u>	<u>920</u>	X	<u>16.00</u>	=	<u>14,720</u>
<u>Clerical</u>	<u>120</u>	X	<u>15.00</u>	=	<u>1,800</u>
_____	_____	X	_____	=	_____
_____	_____	X	_____	=	_____

**Step 4 -- Multiply total direct labor costs by fringe rate**

Total Direct Labor Costs	<u>58,952</u>
X Fringe Rate	<u>.3</u>
= Fringe Costs	<u>17,686</u>

**Step 5 -- Multiply sum of total direct labor costs and fringe costs by overhead rate**

Labor Costs + Fringe Costs	<u>76,638</u>
X Overhead Rate	<u>.4</u>
= Overhead Costs	<u>30,655</u>

**Exhibit 4-11 (continued)**

**Step 6 -- Add total ODCs (from ODC Worksheet) to sum of labor, fringe and overhead costs**

Labor + Fringe + Overhead Costs	<u>107,293</u>
+ ODCs	<u>7,600</u>
= Total Costs before G&A	<u>114,893</u>

**Step 7 -- Multiply total costs before G&A by G&A rate**

Total Costs before G&A	<u>114,893</u>
X G&A Rate	<u>.12</u>
= G&A Costs	<u>13,787</u>

**Step 8 -- Add total costs before G&A and G&A costs**

Total Costs Before G&A	<u>114,893</u>
+ G&A Costs	<u>13,787</u>
= Total Costs	<u>128,680</u>

**Step 9 -- Multiply total costs by fee percentage**

Total Costs	<u>128,680</u>
X Fee Percentage	<u>.08</u>
= Fee Amount	<u>10,294</u>

**Step 10 -- Add Fee Amount to Total Costs. Result is Total Estimated Cost Plus Fee**

Total Estimated Cost Plus Fee	<u>\$138,974</u>
-------------------------------	------------------

The WAM may obtain the average salary rates; fringe, overhead and G&A rates; and fee percentage from the following sources.

- From the Project Officer
- From the Contractor's cost proposal, invoices, work plan cost estimates, or other financial reports

The full costing method is useful in the following circumstances:

- Information on the various cost factors is readily available to the WAM. Individual loaded labor rates are not provided.
- Significant amounts of ODCs are envisioned.
- The labor mix is expected to be substantially different from the mix on prior work assignments with the Contractor.

It should be recognized that if the average category loaded labor rates in the second method are not readily available and have to be computed, then the second and third methods are very similar.

---

## **G. PREPARING OTHER ELEMENTS OF THE WORK ASSIGNMENT PACKAGE AND ASSEMBLING THE PACKAGE**

---

The Work Assignment Package is the collection of documents and forms which the Project Officer submits to the Contracting Officer to facilitate the issuance of the work assignment. The Statement of Work is the most important element of the package. The independent Government cost estimate (summary worksheets, including any assumptions) is also a required part of the package.

In addition, there are several other elements of the Work Assignment Package which the WAM needs to prepare. Not all of these are required on every work assignment. Also, in some laboratories, centers or offices, the Project Officer may prepare some of these items. The WAM should coordinate with the Project Officer to ensure that all of the necessary forms and documents are completed.

### **1. Other Elements of the Work Assignment Package**

Other elements of the Work Assignment Package include the following:

- Work Assignment Form
- Procurement Request (EPA Form 1900-8)
- Work Assignment Manager Appointment (EPA Form 1900-65A)
- Training Deferment Request and Approval
- Quality Assurance Review Form
- Non-duplication of Effort Statement (required by some Contracting Offices)
- OIRM approval for ADP services (as needed)
- FMD approval for use of multiple appropriations (as needed)
- Intra-agency funding request and approval (as needed)
- Justification of Need (JON) for Government-Furnished Property (as needed)
- OPPE approval for public surveys (as needed)
- Justification and Approval for Sensitive and/or Vulnerable Services (as needed)

### **(1) Work Assignment Form**

This form is used.

- By the laboratory, center or office to request the work assignment
- By the Contracting Office to formally issue the work assignment

The form is not standard across the various contracting offices, but contains similar information. This includes:

- Identification of contract, Contractor and work assignment title and number
- Space to begin, but not complete the Statement of Work
- Period of performance
- Government estimated total level of effort
- Approvals and concurrences by the laboratory/center/office and Contracting Office
- Contractor's acknowledgment

Exhibit 4-12 shows the form used by the CMD - Research Triangle Park. Some laboratories which use Technical Directives in lieu of work assignments use a slightly different form. Exhibit 4-13 shows the form used by CMD - Cincinnati.

### **(2) Procurement Request (PR) (EPA Form 1900-8)**

This form is used to obligate funds to the contract to support the work assignment. As discussed in Module 8, work assignments are not obligating documents; thus the funding is provided to the overall contract and may cover multiple work assignments. The WAM should check with the Project Officer to determine if a PR is required. Note that on delivery order contracts, a PR is always required, since delivery orders are obligating documents.

Exhibit 4-14 presents a PR form. The name and signature of the originator (e.g., the WAM) are shown in blocks 1 and 6 respectively, and the PO is listed in block 8. The various approvals are given in block 15. The WAM should ensure that the PR contains the required financial data in block 26. Again in some EPA organizations, the PO prepares the PR instead of the WAM.

### **(3) Work Assignment Manager Appointment Form (EPA Form 1900-65A)**

This form must be completed and submitted with each new work assignment, or when there is a change in the Work Assignment Manager for an existing work assignment. To be a Work Assignment Manager, an individual must have completed the Agency Contract Administration course, as well as a one-day refresher course every three years. Exhibit 4-15 shows a WAM Appointment Form.

**Exhibit 4-12  
WORK ASSIGNMENT FORM-RTP**

<b>WORK ASSIGNMENT</b>  <b>ENVIRONMENTAL PROTECTION AGENCY</b>  <b>RESEARCH TRIANGLE PARK, N.C. 27711</b>		<b>EPA CONTRACT NO</b> 68-D1-0642 <hr/> <b>CONTRACTOR</b> ABC Company <hr/> <b>ASSIGNMENT NO</b> 95-2 <hr/> <b>ASSIGNMENT CHANGE NO</b>	
<b>TITLE</b> Preparation of Technology Transfer Materials for the Environmental Monitoring and Assessment Program.		<b>DATE</b> 9/25/94	
<b>DESCRIPTION</b>  See attached Statement of Work.			
<b>NOTICE TO CONTRACTOR</b> PLEASE SIGN, DATE, AND PROVIDE ESTIMATES IN THE SPACES INDICATED BELOW, AND RETURN ONE COPY TO THE CONTRACTING OFFICER.			
<b>ESTIMATE OF</b>	<b>GOVERNMENT ESTIMATE</b>	<b>CONTRACTOR ESTIMATE</b>	
<b>LABOR HOURS</b>	1,600		
<b>DURATION OF WORK</b>	9 Months		
<b>COMPLETION DATE</b>	6/30/95		
<b>REQUESTER'S SIGNATURE</b>		<b>ORG CODE</b>	<b>TELEPHONE</b>
P. Jones		8205	260-8999
<b>DATE</b>		9/25/94	
<b>APPROVALS (in sequence)</b>	<b>SIGNATURE</b>		<b>DATE</b>
<b>BRANCH CHIEF</b>			
<b>DIVISION CHIEF</b>			
<b>PROJECT MANAGER</b>			
<b>CONTRACTING OFFICER</b>			
<b>CONTRACTOR'S REPRESENTATIVE ACKNOWLEDGMENT</b>			
<b>SIGNATURE</b>	<b>TITLE</b>	<b>DATE</b>	

EPA (RTP) 301 REV 11-82

1. CONTRACT NO.: 68-C1-2345	2. CONTRACTOR: EFG Company
3. WORK ASSIGNMENT NO.: 3-06	4. AMENDMENT NO.:
5. WA TITLE: Treatability Testing Protocols	
6. CHECK APPLICABLE BOXES: <input checked="" type="checkbox"/> ORIGINAL WA <input type="checkbox"/> WA AMENDMENT <input type="checkbox"/> WP APPROVAL <input type="checkbox"/> OTHER	

7. PERIOD OF PERFORMANCE	*FROM 10/1/94	**TO 9/30/95	
*DATE OF CO APPROVAL UNLESS OTHERWISE SPECIFIED			
**INCLUDES ALL DELIVERABLES			

8. INDEPENDENT GOVERNMENT ESTIMATE OF LEVEL OF EFFORT: 2,000
--

9. ACCOUNTING AND APPROPRIATION DATA			
APPROPRIATION NO.	DOCUMENT CONTROL NO.	ACCOUNT NO.	AMOUNT *
684/50108	2B0093	1ABC60Z000	\$ 60,000
	2B0094	1ABC60Z101	60,000
* TOTAL WA FUNDING CEILING			\$120,000

WORK PLAN APPROVAL		
10. CONTRACTOR WP DATED:	TOTAL COSTS:	TOTAL LOE:
11. CUMULATIVE APPROVED TO DATE:	TOTAL COSTS:	TOTAL LOE:
2. DOES WP REQUIRE SUBCONTRACTOR OR CONSULTANT? <span style="float:right"><input type="checkbox"/> YES    <input type="checkbox"/> NO</span>		
IF YES, HAS SUBCONTRACTOR/CONSULTANT BEEN INCORPORATED INTO THE CONTRACT? <span style="float:right"><input type="checkbox"/> YES    <input type="checkbox"/> NO</span>		

13. APPROVALS	
WORK ASSIGNMENT MANAGER NAME: _____ _____ (SIGNATURE) (DATE)	BRANCH/MAIL CODE: _____ PHONE NO.: _____ FAX NO.: _____
PROJECT OFFICER NAME: _____ _____ (SIGNATURE) (DATE)	BRANCH/MAIL CODE: _____ PHONE NO.: _____ FAX NO.: _____
OTHER APPROVING OFFICIAL NAME: _____ _____ (SIGNATURE) (DATE)	BRANCH/MAIL CODE: _____ PHONE NO.: _____ FAX NO.: _____
CONTRACTING OFFICER NAME _____ _____ (SIGNATURE) (DATE)	BRANCH/MAIL CODE: _____ PHONE NO.: _____ FAX NO.: _____
** Effective Date of WP Approval of WA Issuance (per contract)	

CONTRACTOR'S REPRESENTATIVE ACKNOWLEDGEMENT		
SIGNATURE	TITLE:	DATE:



United States  
Environmental Protection Agency  
Washington, DC 20460

## PROCUREMENT REQUEST/ORDER

6. Signature of Originator		1. Name of Originator P. Jones		2. Date of Requirement 12/14/94			
		3. Mail Code 8205	4. Telephone Number (202) 260-8999		5. Date Item Required ASAP		
8. Deliver To (Project Officer) P. Jones		9. Address ORD, 401 M Street, SW 20460		10. Mail Code 8205	11. Telephone Number (202) 260-8999		
12. Suggested Source (Name, Address, ZIP Code, Phone/Contact) ABC Company 6842 Old Dominion Road McLean, VA 22102		13. Amount of money committed is: <input checked="" type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> Original <input type="checkbox"/> Cancellation		14. For Small Purchases Only: Contracting Office is authorized to exceed the amount shown in Block 26 by 10% or \$100, whichever is less. <input type="checkbox"/> Yes <input type="checkbox"/> No			
		15. Approvals					
a. Branch/ Office		Date	d. Property Management Officer/ Designer		Date		
b. Division/ Office		Date	e. Other (Specify)		Date		
c. Funds listed in Block 26 and Block 14 (if any) are available and reserved. (Signature and phone number of Certifying Official) Phone					Date		
16. Date of Order	17. Order Number		18. Contract Number (if any)		19. Discount Terms		
20. FOB Point		21. Delivery to FOB Point by ON or before (Date)		22. Person Taking Order/ Quote and Phone Number			
23. Contractor (Name, address, ZIP Code)		24. Type of Order <input type="checkbox"/> a. Purchase		Reference your quote (See block 22)			
		Please furnish the above on the terms specified on both sides of this order and on the attached sheets, if any, including delivery as indicated.					
		<input type="checkbox"/> b. Delivery provisions on the reverse are deleted. The delivery order is subject to the terms and conditions of the contract. (See Block 18)					
		<input type="checkbox"/> Oral		<input type="checkbox"/> Written	<input type="checkbox"/> Confirming		
25. Schedule							
Item Number (a)	Supplier or Services (b)	Quantity Ordered (c)	Unit (d)	Estimated Unit Price (e)	Unit Price (f)	Amount (g)	Quantity Accepted (h)
	Incremental funding for Contract No. 68-D1-0642  For Work Assignments 95-3 and 95-4						
						Total f	
26. Financial and Accounting Data							
Line 1 2 3	DCN (Max 6)	Budget/FYs (Max 4)	Appropriation Code (Max 6)	Budget Org/Code (Max 7)	Program Element (Max 6)	Object Class (Max 4)	SFO <div style="border: 1px solid black; width: 80px; height: 30px; margin: 5px auto;"></div> (Max 2)
	VR 0005	95	5C	26U	C43	2505	
1 2 3	Amount (Dollars)	(Cents)	Site/Project (Max 6)	Cost Org/Code (Max 7)			
	115,000	00					
27. United States of America By (Signature)				28. Typed Name and Phone of Contracting Officer		Phone	



United States  
Environmental Protection Agency  
Washington, DC 20460

## NOMINATION AND APPOINTMENT OF CONTRACTING OFFICER'S REPRESENTATIVE (COR)

<b>1a. Name of Nominee:</b> Fred Smith	<b>b. Title, Series, and Grade:</b> Chemist 65-1320      13/02
<b>c. Mailing Address (include mail code):</b> EPA/ORD (8205) 401 M Street, S.W. Washington, DC 20460	<b>d. Telephone:</b> 202-260-7999

<b>2. The nomination is for:</b> <input type="checkbox"/> Project Officer <input type="checkbox"/> Deputy Project Officer <input type="checkbox"/> Regional Project Officer <input type="checkbox"/> Zone Project Officer <input type="checkbox"/> Delivery Order Project Officer <input checked="" type="checkbox"/> Work Assignment Manager <input type="checkbox"/> Alternate _____ <input type="checkbox"/> Other _____	<b>3. Training completed:</b> <table style="width: 100%;"> <thead> <tr> <th></th> <th style="text-align: right;"><u>Date Completed</u></th> </tr> </thead> <tbody> <tr> <td>a. Acquisition Training for Project Officers (Formerly The Basic Project Officers Course) (All Project Officers must complete.)</td> <td style="text-align: right;">_____</td> </tr> <tr> <td>b. Contract Administration course (All CORs must complete.)</td> <td style="text-align: right;">5/16/91</td> </tr> <tr> <td>c. Recertification Course (All CORs must complete every three years.)</td> <td style="text-align: right;">4/20/94</td> </tr> </tbody> </table>		<u>Date Completed</u>	a. Acquisition Training for Project Officers (Formerly The Basic Project Officers Course) (All Project Officers must complete.)	_____	b. Contract Administration course (All CORs must complete.)	5/16/91	c. Recertification Course (All CORs must complete every three years.)	4/20/94
	<u>Date Completed</u>								
a. Acquisition Training for Project Officers (Formerly The Basic Project Officers Course) (All Project Officers must complete.)	_____								
b. Contract Administration course (All CORs must complete.)	5/16/91								
c. Recertification Course (All CORs must complete every three years.)	4/20/94								

**4. Briefly describe the nominee's contract management experience and nominee's technical expertise in the subject matter of the contract:**  
 Mr. Smith has successfully managed five previous work assignments for EPA. He holds an M.S. in Biochemistry and has worked in the subject area of chemical analysis and environmental monitoring for approximately eight years.

**5. The nomination is for contract number** 68-D1-0734, WA No. 95-9

**6. I understand that COR duties are not redelegable. In the event that I am unable to continue performing my COR duties, I will contact the Contracting Officer immediately.**

_____ Signature of Nominee	4/18/95 _____ Date
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**7. I certify that:**

a. The nominee's contract management duties will be incorporated in his/her position description and performance standards.  
 b. The nominee's Standard Form 450, Confidential Financial Disclosure Report, will be filed with the cognizant Deputy Ethics Official.  
 c. The nominee's contract management workload will stay within his/her ability to perform satisfactorily.  
 d. If the nominee performs his/her contract management functions unsatisfactorily, I will notify the Contracting Officer immediately.

_____ Signature of the Nominating Official	4/20/95 _____ Date
C. Clarke, Branch Chief _____ Name/Title (Print or type)	202-260-7998 _____ Telephone

_____ Signature of the Appointing Official (Contracting Officer)	_____ Date
---	---------------

#### **(4) Training Deferment Request**

If the proposed WAM has not completed the Agency Contract Administration Course or the Refresher Course, the Nominating Official (the individual's immediate superior) may request a **deferment** of the training requirements. The Nominating Official must submit a memorandum to the CO accompanying EPA Form 1900-65A describing the proposed WAM's experience in contract administration, why the training requirements have not been met, why there is an immediate need to appoint a WAM, and plans to complete the training. The WAM should draft the memorandum for signature by the Nominating Official.

The Contracting Officer will review the request and if approved, send a written recommendation to the Director, Policy, Training and Oversight Division (PTOD) of OAM. The Director, PTOD will approve or disapprove the request and submit a response to the laboratory, center or office.

Obtaining a training deferment is time-consuming and will only be granted in extenuating circumstances (e.g., extensive contract administration experience of the proposed WAM) and for a limited period until the training is completed. To avoid a delay, the laboratory or office may wish to designate another individual to serve as the WAM. **All individuals who may potentially serve as WAM should take the Contract Administration Course as soon as possible.**

#### **(5) Quality Assurance Review Form**

The Agency requires a Quality Assurance (QAR) form for all new procurements above the small purchase threshold. Although not currently an Agency-wide requirement, many ORD laboratories and centers also require the submission of a QAR form for all individual work assignments above the simplified acquisition level.

This form documents whether the work assignment involves environmental data collection and the type of quality assurance measurements required. The QA form should be completed by the WAM, in conjunction with the organization's QA Manager. The preparation of the QAR was discussed earlier in Section E, Preparing the Statement of Work.

#### **(6) Non-duplication of Effort Statement**

This statement, required by some Contracting Offices, indicates that the work does not duplicate other in-house or extramural work that has been or is currently being performed for the Agency.

#### **(7) OIRM Approval for ADP Services**

If the work assignment involves certain types of ADP services, approval by the Office of Information Resources Management (OIRM) is required.

The following principles apply:

- If the main product of the work assignment is a computer system, OIRM approval is required.
- If the ADP products or services are incidental to the development of non-ADP products, OIRM approval is **not** required. An example is the development of computer software to process data for a one-time data collection project
- If the incidental ADP product is expected to be used again on either in-house or extramural projects, then OIRM approval is required. An example is the use of data analysis software to process the results of a recurring survey.

The request to OIRM should indicate the nature of the ADP services required and include the Statement of Work as an attachment. The WAM should check with the ADP Coordinator for the lab, center or office regarding the current office within OIRM to send the request to. Approval must be obtained before the work assignment package is submitted. Exhibit 4-16 illustrates a request for OIRM approval.

#### **(8) Rationale for Multiple Appropriations/Split Funding**

Most work assignments are funded by single appropriations. When a work assignment is funded by more than one appropriation and direct charging of the appropriations is not feasible (*i.e., split funding*), approval must be obtained from the Director, Financial Management Division (FMD), of the method of allocating costs among the source appropriations.

Note that direct charging of multiple appropriations under a work assignment typically requires that the Contractor be able to bill by tasks which can be associated with individual appropriations. Although FMD approval is not required in such cases, this should be documented for the file. In both cases, direct charging or allocation, the justification for the appropriations and the method of charging must be approved by the organization's Funds Certifying Officer (FCO).

Where direct charging is not feasible, the WAM, in concert with the Project Officer, should prepare a memorandum to the Director, FMD indicating an estimate of the costs to be charged to each appropriation, the method for allocating costs among the appropriations, and requesting approval of such method. The memorandum should contain a line for approval by the Director, FMD. The request will be reviewed both in terms of the proper use of the appropriations and the soundness of the allocation methodology. When the request is approved by FMD, it should be included with the PR and other elements of the Work Assignment Package. Note that with the merging of the Superfund appropriation for ORD into the new Science and Technology (S&T) appropriation (formerly Research and Development [R&D]), the frequency of split funding will be reduced. Split funding would occur only in the case of funding by ORD and another EPA program office. This would involve submission of an intra-agency funding request. Exhibit 4-17 shows a request for the use of multiple appropriations.

It is critical that approval for the use of multiple appropriations be obtained. The absence of such approvals was cited as a vulnerability in the Acquisition Management Improvement Reviews. Module 8 discusses multiple appropriations in more detail.

**Exhibit 4-16**

**SAMPLE MEMORANDUM TO OIRM ON ADP SERVICES**

**MEMORANDUM**

**SUBJECT:** Review of Work Assignment Involving ADP Services

**FROM:** P. Jones, Project Officer

**TO:** Management Planning and Evaluation Staff  
Office of Information Resources Management

**DATE:** June 10, 1995

Attached is a statement of work for a proposed work assignment to design a system for maintaining data on office and laboratory training activities. In our view, the features of the system are consistent with Agency ADP policy, and the system does not duplicate existing Agency systems. Please sign below to indicate your concurrence in this effort. Should you desire additional information, please call me at 260-8999.

Concurrence: \_\_\_\_\_  
Office of Information Resources Management

**Exhibit 4-17**

**SAMPLE REQUEST FOR APPROVAL OF USE OF MULTIPLE APPROPRIATIONS  
(TWO DIFFERENT PROGRAM OFFICE FUNDS)**

**MEMORANDUM**

**SUBJECT:** Request for Approval of Rationale for Use of Mixed Appropriations on  
Contract No. 68-D2-0772

**FROM:** P. Jones, Project Officer  
National Exposure Research Laboratory

**TO:** Director, Financial Management Division (3303F)

**DATE:** April 11, 1996

This memorandum presents a request for approval of the use of mixed appropriations on a work assignment to be issued under the above referenced EPA contract.

The funds intended for use are the following:

1. S&T Appropriation (686/70107):      DCN: WR0020  
Account No.: 2CNT60U002  
Amount: \$5,000  
Source: ORD/NERL
2. EPM Appropriation (686/70108):      DCN: PJ0008  
Account No.: 2BJP20A000  
Amount: \$10,000  
Source: OPPTS

These resources will fund a work assignment to provide support for a workshop on post-application exposure monitoring guidelines for pesticides and consumer use products in residential environments. This workshop will be co-sponsored by OPPTS and ORD and will be chaired by a representative from OPPTS. The workshop is intended to provide a basis for the development of these guidelines.

**Exhibit 4-17 (continued)**

A meeting of representatives from OPPTS and ORD (NERL) was held in March 1996, to plan the workshop. The proposed agenda for the workshop, developed at the meeting, covers three major issues related to the development of the exposure monitoring guidelines:

- Structure and content of and the expected user community for the proposed residential exposure monitoring guidelines;
- The sources of information available for the development of residential exposure monitoring guidelines; and
- Research needed to fill critical gaps in the information available for the development of residential exposure monitoring guidelines.

Two thirds of those attending will be from the regulatory community (EPA regions, state governments, industry, etc.), and one third will come from the research community (EPA labs, universities, etc.).

Since two thirds of the agenda at the workshop will cover the development of a regulatory tool (the guidelines) and the two thirds of the attendees will come from the regulatory community, it is expected that two thirds of the contractor's efforts will be spent on this portion of the workshop. Therefore, the main portion of funding (67%) should come from the Environmental Program Management (EPM) appropriation. One third of the contractor's efforts is expected to be spent on the development of research proposals that will assist ORD in designing its human exposure research program. Therefore, a portion of the funding (33%) should come from the S&T appropriation.

Please indicate your approval of this rationale by signing in the space provided and returning this memorandum to me at MD-75 or by fax to 919-541-8888. A copy of the statement of work is attached. If you have any questions, please call me at 919-541-8999. Thank you.

Concur: \_\_\_\_\_

Funds Certifying Officer

Date

Concur: \_\_\_\_\_

Director, Laboratory Division

Date

Concur: \_\_\_\_\_

Director, National Exposure Research  
Laboratory

Date

Approved:

---

Director, Financial Management Division

Date

## **(9) Intra-agency Funding**

An intra-agency funding agreement-in (IAF-in) is an agreement between an ORD organization and a non-ORD Program Office or Region, in which the non-ORD office obligates funds to use on an ORD extramural vehicle. An IAF-out is the opposite arrangement, where an ORD organization obtains funds to use on an extramural vehicle managed by another EPA office.

For laboratories and centers, if the IAF has been previously identified under an approved IAF Plan, or if the individual IAF action is under \$100,000, the IAF may be initiated upon approval of the responsible Laboratory or Center Director, the Extramural Management Specialist (EMS) and the Funds Certifying Officer (FCO). For headquarters offices, planned IAFs may be approved by the Office Director, but unplanned IAFs under \$100,000 also require approval by the Director, Office of Resources Management and Administration (ORMA). Unplanned IAFs \$100,000 or over require approval by the Senior Resource Official (SRO).

Note that the preferred alternative to an IAF-in is for the other EPA organization to reprogram funds to ORD. The IAF justification must explain why reprogramming is not feasible.

IAFs can only be used to fund projects in line with the missions of ORD and the other EPA office. ORD must have the capability to manage IAF-in resources effectively; also, IAF-ins may not be used for infrastructure overhead support. IAFs may not be used to circumvent competitive procurement procedures by "contract shopping".

Note that occasionally an IAF will involve the use of multiple appropriations on a work assignment. Where direct charging of the individual appropriations is not feasible, FMD approval must be obtained on the allocation method.

A further discussion of intra-agency funding, including a sample approval form, is presented in Module 8.

## **(10) Use of Government-Furnished Property (GFP)**

Occasionally there are circumstances in which it is in the Government's best interests to provide Government property to the Contractor or to permit the Contractor to acquire property at Government expense. The Contracting Officer authorizes the Contractor's use of GFP based on a written Justification of Need (JON) provided by the Project Officer. Generally, the WAM prepares this justification.

Chapter 5 of the *EPA Contracts Management Manual* lists the seven items of information required in the justification. This includes:

- Specific program or project for which the property is required.
- Type, quantity, and estimated cost (including transportation and installation) of each item of property required.
- Reason(s) the property is necessary for contract performance.

- Reason(s) why it is in the interest of the Government to provide the property rather than require the Contractor to acquire the property at no direct cost to the contract.
- Location of the Contractor's facility at which the property will be used, and the identification of Contractor personnel responsible for the acquisition and management of the property.
- Certification that no in-house excess property is available if property is to be acquired by the Contractor at Government expense (concurrence of local property office is required)
- Lease vs. purchase analysis of the equipment is to be acquired by the Contractor at Government expense.

Note that a JON must be provided both in cases where the Government provides equipment to the Contractor, or the Contractor acquires equipment for use in the contract. Also, currently a JON is required only for personal property with an acquisition cost of \$1,000 or more. Where several items of equipment constitute a system, this level applies to the system, not each item.

Note also that the Agency is now restricting the provision of most types of GFP to Contractors, based on the view that the Contractor should be providing more of its own equipment to the contract, at no direct cost to the contract. However, under an allowable deviation to the FAR, ORD laboratories will continue to be able to provide most types of equipment for scientific and technical services to on-site contractors. Also, the Government will be able to provide existing GFP on existing, new or follow-on contracts.

Questions have arisen as to whether a JON is required in cases where the Government and the Contractor are sharing GFP. Although specific guidance has not been provided by OAM on this point, the procedure currently followed is to prepare a JON and require the Contractor to track the property, if the Contractor's use of the property is expected to be 51 percent or greater.

In addition, the ORD Senior Information Resource Management Official (SIRMO) must approve all ADP GFE - both Government provided and Contractor acquired.

Exhibit 4-18 illustrates a Justification of Need.

#### **(11) OPPE Approval for Public Surveys**

If the work assignment involves a public survey of ten or more individuals, review and approval of the survey instrument by the Office of Policy Planning and Evaluation (OPPE) is required. (Note: The Office of Management and Budget (OMB) has the ultimate responsibility, under the Paperwork Reduction Act, for approving such surveys. OPPE performs an internal EPA review of all requests for such surveys before the requests are submitted to OMB. Requests should be submitted to the Office of Regulatory Management and Evaluation, OPPE. Also, note that if the work assignment involves tasks other than the public survey, the work assignment may be able to be issued before OPPE/OMB approval is obtained. However, WAMs undertaking projects involving public surveys should properly plan for a potentially lengthy approval time in the work assignment schedule.)

**Exhibit 4-18**

**EXAMPLE OF 7-POINT JUSTIFICATION FOR GFP**

**MEMORANDUM**

**SUBJECT:** Justification for Government Purchase and Provision of an Electrochemical Detector for Contractor Use, Contract No. 68-D1-0998

**FROM:** Z. Morgan, Project Officer (MD-71)  
Division/Laboratory

**TO:** T. Brown, Contracting Officer (MD-33)

**THROUGH:** Property Management Office (MD-36)

**DATE:** Feb. 2, 1995

The Developmental Physiology Section is engaged in research designed to improve methods of extrapolation of developmental toxicity data. The Section is currently developing such models for the developmental toxicity of methanol, a proposed alternative fuel. We have already demonstrated that methanol causes cleft palate and exencephaly (a brain malformation) in mice. The research support Contractor will be responsible for performing chemical analyses to quantify amounts of methanol and metabolites in maternal and embryonic tissues.

The data derived from these analyses will be essential in the development of a biologically rational model of the developmental toxicity of methanol.

The following paragraphs present a justification for the provision of Government-furnished equipment to the Contractor for Technical Directive (TD) 3.8.2 of Contract No. 68-D1-0998.

1. This equipment will be used by ABC Corporation personnel providing technical support to the Developmental Physiology Section, Perinatal Toxicology Branch, Developmental Toxicology Division, under Task 233 AF ("Analytical Chemistry Support for Developmental Toxicology") under DU/ORDIS #A101DD7601, T.D. 3.8.2. The equipment should be purchased under Task 128: Subtask B (MIS subtask for R&D purchases in the Developmental Toxicology Division).

**Exhibit 4-18 (continued)**

**2. Type, quantity and estimated cost of equipment:**

<u>ITEM</u>	<u>QUANTITY</u>	<u>TOTAL COST</u>
1. 55-0150 Coulochem II with Accessory Kit (115V)	1	\$8,350.00
2. 70-0502 Model 5014 Hi-Performance Analytical Cell	1	\$ 0.00
3. 55-0450 Model 5021 Conditioning Cell	1	\$ 635.00
4. 70-0165 Installation, Model 5200	1	\$ 495.00

3. This equipment is required by the Contractor to perform the activities in the above referenced Technical Directive. The equipment allows for the detection of metabolites of methanol following HPLC separation. Its use will enhance the quality and quantity of the product produced by the Contractor.
4. It is the Government's best interest to provide this equipment to the Contractor rather than to require the Contractor to provide the equipment at no direct cost to the Government. First, since all the Contractor staff who would use the equipment are on-site, and since necessary related equipment is on-site, the proposed equipment must be used at the EPA facility. It is contrary to our policy to allow a Contractor to use its own research equipment for an on-site task. Second, the proposed equipment is special purpose equipment intended specifically for use in supporting the research program of the Developmental Toxicology Division. Besides use on this contract, no other component of the Contractor could benefit from using this equipment. Since the proposed equipment benefits only the research program at the lab, it would be inappropriate for the Contractor to purchase the equipment as an overhead expense and thus charge other contracts a proportionate share of the cost

It is in the best interest for the Government to purchase the equipment and provide it to the Contractor rather than have the Contractor acquire it and charge it as a direct expense. The reason is that the GSA price available to the Government (GSA Contract #GSF-00F-6820) is less than the cost of the equipment (including Contractor G&A and fee) if acquired and billed by the Contractor.

**Exhibit 4-18 (continued)**

5. This equipment will be used in the EPA DEF building, in laboratory room M-975. The Contractor will use the equipment under the technical direction of Dr. L. Green, Technical Project Monitor.
6. This equipment is not currently available from EPA excess stock.

**Certification of Property Management Officer:**

\_\_\_\_\_

7. Since the equipment is to be purchased by the Government and provided to the Contractor rather than being acquired by the Contractor at Government expense, a lease-purchase analysis is not required.

Concur: \_\_\_\_\_  
Director, \_\_\_\_\_ Laboratory

Date: \_\_\_\_\_

## **(12) Justification and Approval for Sensitive and/or Vulnerable Services**

If the work assignment contains sensitive and/or vulnerable services and approval was not obtained earlier for the overall contract, the WAM must ensure that the appropriate request is prepared and approved before the Work Assignment Package is submitted.

As indicated in Module 3, the justification of sensitive and/or vulnerable services must be approved by the ORD Senior Resource Official if the value of the services is greater than \$25,000. If the value is at least \$5 million, but less than \$25 million, justification must be concurred in by the SRO and approved by the Director, OAM. Projects \$25 million or above require the approval of the Deputy Assistant Administrator, OARM. Note that the dollar threshold only applies to those services which are considered sensitive and/or vulnerable, not the total value of the contract.

EPA Order 1900.2 and Chapter 2 of the *Contracts Management Manual* define sensitive and vulnerable services. The request for sensitive and/or vulnerable services must be accompanied by a copy of the statement of work and a description of the management controls to ensure that key areas of vulnerability are avoided. Control measures may include safeguards against conflicts of interest, personal services, performance of personal services or inherently Governmental functions, access to CBI, special ADP requirements, or similar measures.

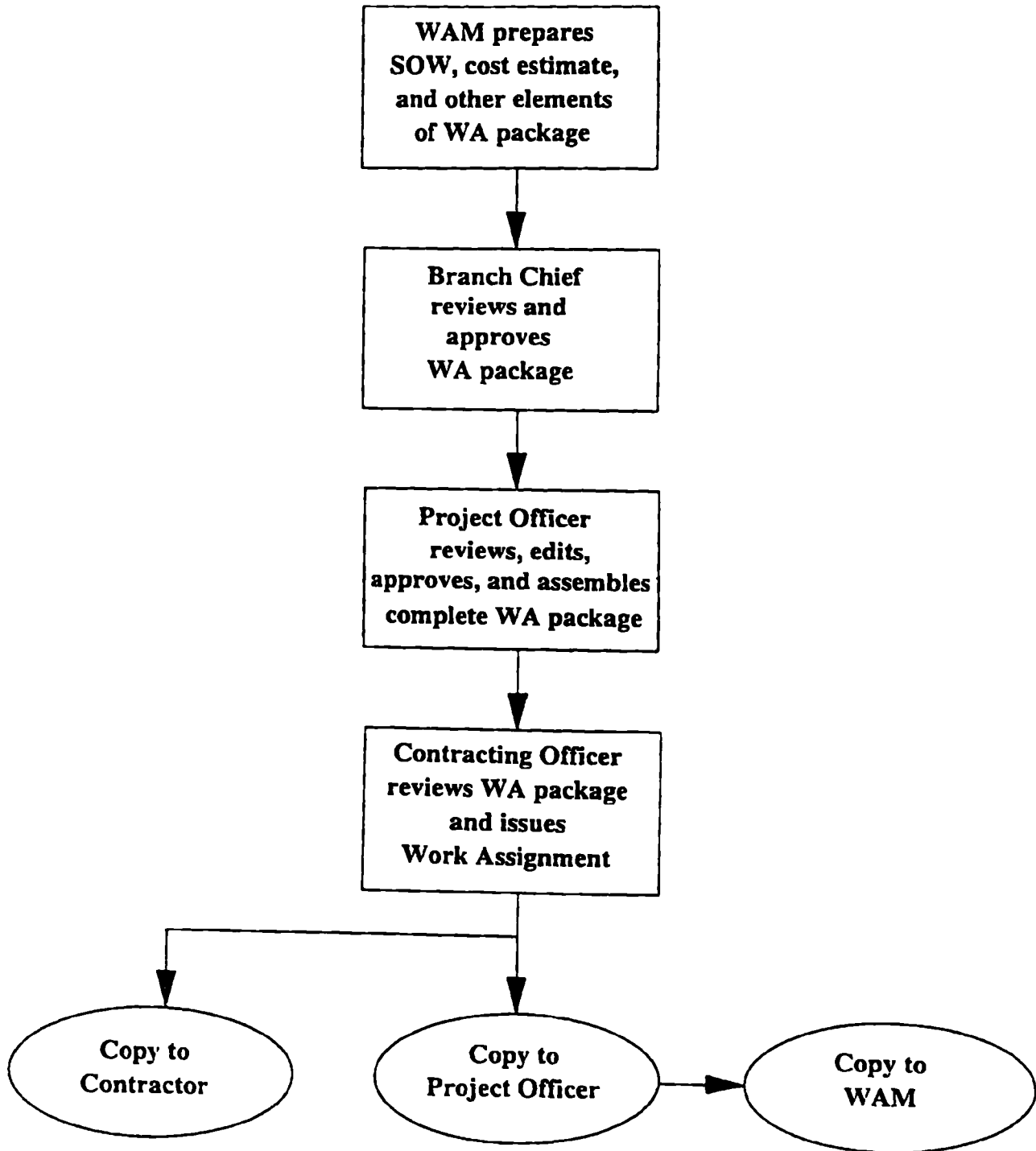
(Note: In the revised Chapter 2 of the CMM, the required justification for "Advisory and Assistance Services" (AAS) has been deleted. OFPP Policy Letter 93-1 rescinded OMB Circular A-120, which defined AAS and specified required management controls for such services. Agencies are now able to define the particular services (e.g., sensitive and vulnerable) for which management controls are to be provided.)

## **2. Assembling the Work Assignment Package for Submission to the Contracting Officer**

The Project Officer has the responsibility for ensuring that the Work Assignment Package is complete and submitting it to the Contracting Officer. As indicated earlier, it is essential that all required forms and documents, including required justifications and approvals, be included in the package sent to the Contracting Officer.

The internal flow for preparation and review of the Work Assignment Package will vary by laboratory and office. Exhibit 4-19 indicates a potential flow. In this example, the WAM prepares the majority of forms and documents in the package and obtains approval from laboratory, center or office management before submitting the package to the Project Officer. In some ORD organizations, the WAM's supervisor or other management person may review only the Statement of Work and Procurement Request. Also, in some cases, the Project Officer prepares many of the documents that accompany the Statement of Work.

**Exhibit 4-19**  
**DOCUMENT FLOW**  
**WORK ASSIGNMENT PACKAGE**



Close coordination between the WAM, the WAM's supervisor and the Project Officer is critical to smooth processing of the work assignment. The WAM is encouraged to actively solicit the support of the Project Officer and other laboratory/center/office personnel in preparing the various elements of the work assignment package.

Before forwarding the work assignment package for review, the WAM should make a final check of the contents. The Work Assignment Review Checklist shown in Exhibit 4-20 can serve as a guide. The objective of the review is to ensure that all required documents are included in the package and that the work assignment is not subject to contracting improprieties and vulnerabilities.

(Note: CMD-Cincinnati, has developed a similar Work Assignment Review Checklist and requires that it be submitted to the Contracting Office with the other documents in the Work Assignment Package. The content of this checklist is similar to the content of the checklist presented in Exhibit 4-20. CMD-Cincinnati also requires submission of a CBI Review form. CMD-RTP does not require these forms. The WAM and PO should check with their Contracting Office to determine any specific submission requirements for the Work Assignment Package.)

Exhibit 4-20

WORK ASSIGNMENT PACKAGE  
REVIEW CHECKLIST

Contract Number: \_\_\_\_\_ Contractor: \_\_\_\_\_  
Work Assignment Number: \_\_\_\_\_ Work Assignment Title: \_\_\_\_\_

Required Submissions

1. Is the independent Government cost estimate (with supporting worksheets) attached? ( )
2. Is a Work Assignment Manager Appointment Form (EPA 1900-65A) attached? ( )  
If proposed WAM has not completed training requirements, is approval of request for training deferment attached? ( )
3. Are additional funds required to support the work assignment? ( )  
If yes, attach Procurement Request (EPA 1900-8), identifying funding and relevant appropriation(s) by work assignment.
4. Is the work assignment funded by multiple appropriations/split funding? ( )  
If yes, attach FMD approval for allocation methodology of multiple appropriations.
5. Are funds being provided by a non-ORD Program Office or Region to fund a work assignment on an ORD contract? ( )  
If yes, attach Intra-Agency Funding approval form.\*
6. Does the work assignment involve ADP products or services? ( )  
Is the ADP product the basic output of the work assignment? ( )  
Is the ADP product incidental to a non-ADP product and is it expected to be used again in other projects? If either case applies, attach OIRM approval if not obtained at contract award.
7. Does the work assignment involve a public survey of 10 or more individuals? ( )  
If yes, attach OPPE approval.
8. Will the work assignment require the use of Government-furnished property (either provided by the Government or acquired by the Contractor)? ( )  
If yes, attach Justification of Need.  
Will the work assignment require ADP GFE? If yes, attach ORD SIRMO approval. ( )
9. Does the project exceed the simplified acquisition threshold? ( )  
If yes, attach a Quality Assurance Review (QAR) form, signed by the WAM and the QA Manager.\*\*
10. Does the work assignment involve sensitive or vulnerable services? ( )  
If yes, attach copy of justification and approval if not obtained at contract award.

\* IAF approval must be obtained before Work Assignment Package is submitted to the Contracting Office. However, the IAF approval form and justification do not have to be submitted to the Contracting Office; this is an internal ORD requirement only.

\*\* This is an internal requirement established by certain ORD laboratories and centers. It is not currently an Agency-wide requirement.

**Exhibit 4-20 (continued)**

**Potential Contracting Improprieties and Vulnerabilities**

If the answer is "yes", discuss problem with Project Officer

1. Has anyone instructed the Contractor to begin work on the work assignment? ( )
2. Has the Contractor provided assistance in preparing the Statement of Work? ( )
3. Has the Contractor been directed to use specific employees, subcontractors or consultants? ( )
4. Are there any other instances which could create the appearance of personal services? ( )
5. Does the work assignment contemplate inherently governmental functions? ( )
- If services are in the sensitive or vulnerable categories, has approval been obtained from the SRO? (Will usually be obtained for the overall contract.) ( )
6. Does the work assignment include any actual or potential conflict of interest? ( )
7. To the best of your knowledge, does work to be performed under the work assignment duplicate any previous or current work under an EPA contract? ( )
8. Does the work assignment require printing or copying exceeding the contract limitations? ( )

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## **MODULE 5: ESTABLISHING AND MAINTAINING PROJECT FILES**

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### **A. INTRODUCTION**

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The maintenance of complete and accurate project files is essential to managing a work assignment successfully. This module elaborates on the major reasons for maintaining complete project files, describes the major categories of documents that the WAM should maintain, and lists the individual items within each category. Potential file plans and a checklist for evaluating existing files are presented as models which a WAM could adapt to his or her recordkeeping needs. The module concludes with a discussion of the appropriate retention and disposition of project records.

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### **B. OBJECTIVES**

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At the completion of this Module, you will be able to:

- Explain why complete records of a work assignment are important.
- Identify records which should be maintained by the WAM.
- Describe and select a filing plan for maintaining those records.
- Describe the appropriate retention and disposition of work assignment records.

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## **C. IMPORTANCE OF MAINTAINING WORK ASSIGNMENT RECORDS**

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Complete and accurate records enable the WAM to meet several important objectives. These include:

- Effectively monitoring the technical and financial progress on the work assignment
- Responding to inquiries from within and outside of EPA concerning the work assignment
- Complying with Federal and Agency recordkeeping requirements
- Providing an audit trail of the work assignment

### **1. Effectively Monitoring Progress on the Work Assignment**

Effective technical and financial monitoring requires detailed documentation of:

- The Government's requirements involving objectives, tasks, deliverables, and schedules
- The Government's cost estimate for accomplishing the work
- The Contractor's plan for performing the work
- The actual activities and products of the Contractor
- The actual expenditures incurred on the project
- Issues and problem areas arising on the project and efforts to resolve them

Complete project documentation, especially the work assignment and all amendments, technical directives, work plans, progress reports, all draft and final deliverables and memoranda on key issues, is essential to effectively track the technical and financial status of the work assignment.

### **2. Responding to Inquiries Concerning the Work Assignment**

Inquiries concerning the project may come from within and outside of EPA.

- **Sources within the program office** including the Project Officer, the WAM's supervisor, office's program operations staff or Extramural Management Specialist (EMS); as well as senior management, such as Office Director, and the Senior Resource Official (SRO).

- **Sources outside of EPA, including:**
  - The Contracting Officer, other parts of the Office of Acquisition Management (OAM), the Office of the Administrator (e.g., Freedom of Information Act (FOIA) unit), the Office of Inspector General (OIG), the Office of General Counsel (OGC), and the Financial Management Center - Research Triangle Park (FMC-RTP)
  - Organizations outside the Agency, such as the General Accounting Office, the Office of Management and Budget, or the Congress

In order to respond in an accurate and timely manner, the WAM needs to have complete records which:

- Document the work assignment's requirements, the Contractor's progress, and the Government's oversight of the project
- Are organized in a manner which makes retrieval of specific information rapid and easy

The Contracting Officer and Project Officer are ultimately responsible for the accuracy and completeness of the contract files. However, in practice, the Contracting Officer delegates much of this function to the Project Officer, and the Project Officer delegates some of this activity to the WAM. For example, to avoid duplication, the WAM may be the holder of all draft and final deliverables and miscellaneous memoranda, while both the WAM and the Project Officer typically maintain copies of the work assignment, work plans, progress reports, invoices and technical directives. Inquiries from the organizations listed above usually come to the Project Officer, who in turn may call upon the WAM to supply the necessary information. Thus, the WAM must maintain the necessary records to assist the Project Officer in responding to the range of inquiries.

### **3. Complying with Federal and Agency Recordkeeping Requirements**

Documents created or acquired in the conduct of Government business are considered official Agency records. Such documents

- Become the property of the U.S. Government
- Provide a legal and historical record of the functions, accomplishments, and decisions of the Agency

Records of contracts and individual work assignments are considered official Agency records. As such, they should not be haphazardly stored and then casually discarded. Guidance for maintaining and disposing of Agency records can be found in the following publications;

- *EPA Records Management Manual* (EPA 2160)
- *IRM Policy Manual, Chapter 10* (EPA 2100)
- *Using the Federal Records Center - A Guide for Headquarters Staff*
- *Managing Electronic Records*

- *EPA Records Control Schedules*

The *EPA Records Management Manual*, published in 1984, describes Agency policy and guidelines for organizing and maintaining paper and electronic media files.

The *IRM Policy Manual, Chapter 10*, revised in 1996, presents the most current Agency policy, definitions and overall responsibilities for records management.

The third document, revised in 1995, provides more current guidance than the *Records Management Manual* for EPA headquarters staff for labeling and packing records for shipment to the Federal Records Center (FRC).

The fourth document, published in 1990 by the National Archives and Records Administration, provides guidance to Federal Agencies in maintaining electronic records.

The *EPA Records Control Schedules*, published in 1985, are currently under revision. The original schedules provided retention and disposition of contract management records by EPA program office. Also, there were separate schedules for these records for headquarters offices and laboratories. The new schedules will address retention and disposition of contract (and other extramural management) records on an Agency-wide basis.

Retention and disposition of work assignment files is discussed in more detail at the end of the module.

#### **4. Providing an Audit Trail**

Contracts and individual work assignments can be audited on a scheduled or unscheduled basis by OAM, the OIG, the GAO, or other organizations. Occasionally more than one audit may be performed in the course of a work assignment.

From the beginning of the work assignment, the WAM's records on the project should provide an adequate audit trail to document:

- The Government's requirements (as reflected by the work assignment, amendments and technical direction)
- The Contractor's plan and performance (as reflected by the work plan, progress reports and deliverables)
- The Government's oversight of the work assignment (as reflected by comments on deliverables, records of approvals, and other memoranda)

An audit trail is particularly important when there are cost or performance issues associated with the work assignment. For example, there may be a question of whether the Contractor exceeded the scope of the work assignment. A good audit trail can assist in addressing this issue by matching what work the Contractor did against what was requested.

Also, by documenting all technical direction and reviewing Contractor reports against that direction, the WAM can identify and avoid instances of unauthorized procurement actions (described in more detail in Module 7).

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## **D. TYPES OF RECORDS THAT SHOULD BE MAINTAINED**

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The types of records that the WAM should maintain may be grouped into five categories:

- Planning records
- Performance records
- Deliverables
- Miscellaneous correspondence
- Administrative records

There is naturally some overlap in these categories. For example, Technical Direction may be considered a planning record, since it helps definitize the requirements for a work assignment, or correspondence, because it transmits important written guidance to the Contractor.

### **1. Planning Records**

These include records which document the requirements of and management responsibilities for the work assignment. These records describe the specification of the work (including changes) to be performed by the Contractor, and the basis for these specifications. They include the following:

- Statement of work and related information such as Contractor reporting requirements for the overall contract
- Quality Assurance Program Plan for the overall contract (if applicable)
- Work assignment package, which includes the following for the work assignment:
  - Statement of work
  - Independent Government cost estimate for the work assignment, and associated work sheets
  - Standard Work Assignment form (cover sheet)
  - Procurement Request (PR) (EPA Form 1900-8)
  - Work Assignment Manager Appointment form (EPA Form 1900-65A)
  - Training Deferment Request (as needed)
  - OIRM request and approval for ADP services (as needed)

- FMD request and approval (for use of multiple appropriations)
- OPPE request and approval (if public survey is involved)
- Quality Assurance Review form (if the work assignment exceeds the small purchase threshold)
- Justification of Need (JON) for GFP (as needed)
- Intra-agency funding request and approval (as needed)
- Justification and approval of Sensitive and/or Vulnerable Services (as needed, if not provided at contract award)
- Non-duplication of effort statement (required by some Contracting Offices - indicates that the work assignment does not duplicate other work)
- Quality Assurance requirements for the work assignment, as applicable (e.g., Quality Assurance Project Plan (QAPP), Quality Assurance/Quality Control reports)
- Contractor's workplan (initial/revised) and the Government's notice of approval
- Amendments to the work assignment
- Technical direction

## **2. Performance Records**

These include records which document the Contractor's technical and financial performance on the work assignment. These include:

- Monthly combined technical/financial progress reports
- Contractor invoices - "Public Voucher for Purchases and Services other than Personal," and "Public Voucher, Continuation Sheet" (SF 1034 and SF 1035)
- Government reviews of invoices, using checklists or other documentation
- Special technical or financial reports prepared by the Contractor as appropriate, e.g., detailed labor distribution or report of other direct costs
- Financial tracking reports produced from automated or manual systems, e.g., spreadsheets showing expenditures vs. budget, or payments vs. appropriations
- Forecast of carryover funds
- Performance Event Reports (EPA Form 1900-41B or equivalent) for CPAF contracts

- Other locally generated forms or reports which the WAM uses to provide input to the Project Officer and Contracting Officer concerning the Contractor's technical and cost performance
- Inventory (list and description) of GFP

As discussed in Modules 7 and 8, several of the above records are used together in monitoring the Contractor's performance. For example, careful review of the combined technical/financial progress reports, together with invoices and other special reports, can assist the WAM in identifying inappropriate charges, the need for amendments and potential cost overruns. Reports from several months are often needed for this purpose. An up-to-date and well organized file system ensures that these records are easily obtained when needed.

### **3. Deliverables**

The WAM's files should include:

- Draft(s) and final versions of each deliverable submitted to the Government
- Government review comments on the deliverable (presented either in separate memoranda or in "marked-up" drafts)
- Any evaluation form(s) used in the review

If the work assignment calls for draft and final versions of a deliverable, it is essential that both versions be retained. There is the natural tendency to discard the draft, but this is an item which an auditor will often ask for. Also, the retention of marked-up draft deliverables serves to document the actual exercise of contract oversight by EPA.

On some work assignments, deliverables are prepared for a "user" in the laboratory or office other than the WAM. In such cases, a Contractor might submit the deliverable to the end user, and not to the WAM, while noting the submittal in the monthly progress report. It is essential, however, that the WAM receive and maintain copies of all deliverables.

When the WAM is coordinating a peer review of a deliverable, his/her files should indicate that the WAM arranged for the review and consolidated and reconciled the responses.

In cases where deliverables are other than written documents (e.g., tissue samples), which are not easily maintained, evidence of receipt of the deliverable can be maintained through transmittal memoranda or notations in the monthly progress reports.

Questions have been raised on whether copies of deliverables must routinely be sent to the Contracting Officer. There is no universal Agency or ORD requirement for this, although some contracts may specify that the Contractor do this. Also, some contracts may require the Contractor to send a copy of a final report to the EPA library; however, this is not a common requirement. A recent requirement is for the Contractor to submit an abstract of each initial draft and final technical report to the Information Resources Management Division - Cincinnati, with a copy to the PO. This is intended to support an Agency-wide base on Contractor deliverables.

#### **4. Miscellaneous Correspondence**

Correspondence includes work assignment related:

- Letters
- Records of meetings and telephone discussions
- Memoranda for the record
- Technical Direction (This may also be considered part of Planning Records or Performance Records)

Communication records maintained in these files may be:

- Between the WAM or the Project Officer and the Contractor
- Between the WAM and the Project Officer, Contracting Officer, and other Government personnel within and outside of EPA

#### **5. Administrative Records**

This includes documents which do not pertain to an individual work assignment, but apply to the contract management responsibilities of the WAM. **Examples** of these records are:

- Confidential Financial Disclosure Statement (SF-450)
- Procurement Official Certificate of Integrity
- Pertinent program/Agency regulations, orders or memoranda, such as EPA Order 1901.1A on Personal Services or EPA Order 1900.2 on Inherently Governmental Functions, various EPA Ethics advisories, or the program policy on intra-agency funding.
- Program or Agency reports on contract management, such as the OIG survey and audit reports.
- Contract Management Plan for the overall contract, including associated management controls for addressing potential vulnerabilities. (This is required at the pre-award stage for procurements of \$15 million or above.)

Note that the Financial Disclosure Statement is typically maintained by the Deputy Ethics Official (the Laboratory, Center or Office Director, or, if delegated, the Division Director). The WAM may wish to retain a copy for his/her records.

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## **E. SELECTING A FILING SYSTEM**

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There is no single preferred system for filing work assignment records. The effectiveness of a system depends less on its specific categories than on dedication of the person maintaining it. A filing system is easiest to use if its categories are logical and meet the needs of its user. The previous sections discussed the types of documents which the WAM should maintain. Two alternative filing plans are presented at the end of the Module in Exhibits 5-1 and 5-2. The plan chosen by the WAM should meet the documentation needs of the work assignment, but should also fit the personal organizational approach of the WAM.

Following the sample file plans is a checklist (Exhibit 5-3) that the WAM can use to evaluate his or her files.

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## **F. RETAINING PROJECT RECORDS**

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### **1. Responsibility for Maintaining Records**

As indicated earlier, the Contracting Officer has the ultimate responsibility for maintaining contract records. He or she may delegate the responsibility for some records to the Project Officer. The Project Officer may, in turn, delegate responsibility for maintaining certain records to the Work Assignment Manager.

Close coordination between the Project Officer and the WAM is necessary to ensure that all appropriate records are maintained.

Upon completion of the work assignment, the WAM should coordinate with the Project Officer for storage of the files, *i.e.*, where the files should be stored and who should maintain them. Since the WAM may be reassigned, the files should be identified and remain with the laboratory or office involved, rather than with an individual.

### **2. Length of Time Records Should be Maintained**

The new records control schedules, currently under review, call for retention of **contract records for six years and three months** after contract close-out. The schedules permit the records to be stored either in the program office or the Federal Records Center during this period; however, since the FRC requires a destruction date, the records may be retired to the FRC only after contract close-out, or after a destruction date has been estimated. Thus, records for a work assignment performed early in the life of a five-year ORD contract, would need to be retained for over 11 years plus the time for contract close-out.

Contract records which are **Superfund Site-Specific** (*i.e.*, related to cost recovery) have a longer retention period. Such records are to be kept, in the program office or the FRC, for 30 years from the expiration of the project.

The WAM and the Project Officer need to be able to access contract records quickly to respond to inquiries and audits. While such records should be able to be retrieved easily from the FRC or a central storage facility, it would be desirable to have the records close at hand. Thus, it is recommended that the Project Officer, in conjunction with the WAM, maintain work assignment records in a location near their office at least **three years** after completion of the work assignments. Then the records may be moved to another storage location in the building if desired.

The retention of **deliverables** under the proposed records control schedules is different. Programmatic or mission-related deliverables (**final versions**) are to be retained (either in the program office or at the FRC) for 20 years after the end of the project and then transferred to the National Archives for permanent retention. Non-programmatic or administrative deliverables are to be retained for seven years and then may be destroyed. Consistent with the guidance for other contract records, deliverables should be kept in the office by the WAM or Project Officer for three years and then retired to the FRC.

The laboratory or office may choose to store the records on microfilm to save space. The *EPA Records Management Manual* provides guidance on requesting micrographic conversion of paper records. Also, electronic storage of contract records (in lieu of paper records) is permissible. However, if this option is chosen, the WAM and Project Officer should recognize the need to: (1) provide for the conversion of electronically stored records to accommodate new hardware or software as required; (2) prevent unauthorized access to the records. Also, the National Archives has very stringent requirements on the transfer of electronically stored records. Since deliverables (final versions) are required to be eventually transferred to the National Archives, deliverables should probably be maintained in paper form.

Whatever method of storage is selected, it is important that the location of the files be known and that the files be readily accessible.

Questions regarding records retention requirements or other records management issues should be directed to the local Records Liaison Officer for office or the Agency Records Officer, Office of Information Resources Management (OIRM).

## **Exhibit 5-1**

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### **SAMPLE FILE PLAN A**

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- 1. Statement of work and related information such as Contractor reporting requirements for the contract<sup>1</sup>**
- 2. Quality Assurance Program Plan for the contract<sup>1</sup>**
- 3. Work assignment package**
  - Independent Government cost estimate and worksheets
  - Statement of Work
  - Standard Work Assignment Form
  - Work Assignment Manager Appointment Form (EPA 1900-65A)
  - Training Deferment Request and Approval
  - Procurement Request
  - OIRM request and approval (for ADP services)
  - OPPE review (if public survey is involved)
  - FMD approval (for use of multiple appropriations)
  - Quality Assurance Review form
  - Justification of Need for GFP
  - Intra-agency funding request and approval
  - Justification and approval for Sensitive and/or Vulnerable Services
  - Non-duplication of effort statement
- 4. Quality Assurance requirements for the work assignment**
  - Quality Assurance Project Plan
  - Quality Assurance/Quality Control reports and audits

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<sup>1</sup> Although these items pertain to the overall contract, as opposed to an individual work assignment, the WAM should retain these in his/her files. If the WAM manages multiple work assignments under a given contract, these items might be kept in a separate file instead of the individual work assignment file.

### **Exhibit 5-1 (continued)**

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- 5. Contractor's workplan and the Government's notice of approval**
- 6. Amendments to the work assignment**
- 7. Technical direction documents**
- 8. Combined Monthly Technical/Financial Progress Reports**
- 9. Invoices and invoice reviews**
- 10. Other special technical/financial reports**
- 11. Financial tracking reports**
- 12. Deliverables and related correspondence (approvals, rejections, comments)**
  - Draft deliverables
  - Final deliverables
- 13. Inventory of GFP (list and description)**
  -
- 14. Correspondence**
  - Letters
  - Records of meetings and telephone discussions
  - Memoranda for the record
- 15. Evaluations of Contractor performance**
  - Performance Event Reports (EPA 1900 - 41B)
  - Other reports as required
- 16. Administrative information (applies to all work assignments)**
  - Confidential Financial Disclosure Statement
  - Certificate of Procurement Integrity
  - Agency/program regulations/orders, directives, memoranda
  - Agency/program reports on contract management
  - Contract Management plan for the overall contract, including Management Controls

## **Exhibit 5-2**

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### **SAMPLE FILE PLAN B**

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#### **1.0 Planning Records**

- 1.1 Statement of Work for the Contract<sup>2</sup>
- 1.2 Quality Assurance Program Plan for the Contract<sup>2</sup>
- 1.3 Work Assignment Package
- 1.4 Amendments
- 1.5 Quality Assurance/Quality Control Requirements and Reports
- 1.6 Contractor workplan (including approval and revisions)
- 1.7 Technical Direction documents

#### **2.0 Correspondence**

- 2.1 Letters
- 2.2 Records of meetings and telephone calls
- 2.3 Memos for record

#### **3.0 Contractor Performance Records**

- 3.1 Monthly technical/financial progress reports
- 3.2 Monthly invoices (SF 1034, SF 1035)
- 3.3 Invoice reviews (checklists or other documentation)
- 3.4 Financial tracking reports
- 3.5 Performance Event Reports (EPA Form 1900-41B)
- 3.6 Other evaluation forms
- 3.7 Deliverables (including review comments and evaluation forms)
- 3.8 Inventory of GFP

#### **4.0 Administrative Records (for contract management in general)**

- 4.1 Confidential Financial Disclosure Statement
- 4.2 Procurement Integrity Certificate
- 4.3 Agency/program regulations, orders, directives, memoranda
- 4.4 Agency/program reports on contract management
- 4.5 Contract Management plan for the contract, including Management Controls

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<sup>2</sup> See Note <sup>1</sup> under File Plan A.

**Exhibit 5-3**

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**CHECKLIST FOR EVALUATING WORK ASSIGNMENT FILES**

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- ☐ 1. Documents are grouped into logical categories
- ☐ 2. Documents are filed in labeled folders (in chronological order within the folder)
- ☐ 3. Each work assignment file includes the following documents:
  - ☐ Statement of Work for Contract
  - ☐ Quality Assurance Program Plan for Contract (as needed)
  - ☐ Work assignment package
    - ☐ Statement of Work
    - ☐ Independent Government cost estimate
    - ☐ Work Assignment form
    - ☐ Procurement Request (EPA 1900-8) (as needed)
    - ☐ Work Assignment Manager Appointment (1900-65A)
    - ☐ Training Deferment Request/Approval (as needed)
    - ☐ OIRM Request/Approval (for ADP services)
    - ☐ FMD Request/Approval (for multiple appropriations)
    - ☐ OPPE Request/Approval (for public survey)
    - ☐ Quality Assurance Review form (as needed)
    - ☐ Justification of Need for GFP (as needed)
    - ☐ Intra-agency funding request/approval (as needed)
    - ☐ Justification and approval for Sensitive and/or Vulnerable Services (as needed)
    - ☐ Non-duplication of effort statement

### **Exhibit 5-3 (continued)**

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- \_\_\_\_\_ **Quality Assurance requirements and reports for the work assignment**
- \_\_\_\_\_ **Contractor's workplan**
  - \_\_\_\_\_ **Draft and revised**
  - \_\_\_\_\_ **Approval**
- \_\_\_\_\_ **Amendments**
- \_\_\_\_\_ **Technical Direction documents**
- \_\_\_\_\_ **Monthly Technical/Financial Progress Reports**
- \_\_\_\_\_ **Invoices**
- \_\_\_\_\_ **Invoice reviews (checklists or other documentation)**
- \_\_\_\_\_ **Deliverables**
  - \_\_\_\_\_ **Draft**
  - \_\_\_\_\_ **Final**
  - \_\_\_\_\_ **Government comments**
- \_\_\_\_\_ **Inventory of GFP**
- \_\_\_\_\_ **Evaluations (deliverable reviews, CPAF performance event forms)**

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## **MODULE 6: REVIEWING THE CONTRACTOR'S WORK PLAN**

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### **A. INTRODUCTION**

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This Module describes methods for reviewing the Contractor's work plan. Procedures for reviewing the technical and cost portions of the work plan are discussed, along with approaches for negotiating changes to the work plan.

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### **B. OBJECTIVES**

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At the completion of this Module, you will be able to:

- Identify the elements required in a Contractor work plan.
- Describe methods for reviewing the technical portion of a Contractor work plan.
- Describe methods for reviewing the cost portion of a Contractor work plan.
- Review a work plan against a work assignment and identify discrepancies, needed changes and potential vulnerabilities
- Describe methods for resolving differences with the Contractor and implementing changes to the work plan through negotiations.
- Identify potential contracting improprieties and vulnerabilities related to reviewing the work plan.

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## **C. ELEMENTS OF A CONTRACTOR'S WORK PLAN**

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All EPA contracts require a Contractor to submit a work plan in response to individual work assignments. In addition, as indicated in Module 4, the requirement for a work plan should be clearly stated in the work assignment.

The overall contract may not specify the particular content and format of a work plan other than requiring a detailed technical and staffing plan and a detailed cost estimate. Additional requirements, if any, would be described under the Reports clause of the contract (EPAAR 1552.210-70). If more detailed requirements are not provided, the WAM may indicate specific contents in the work assignment.

To facilitate review and ensure a common understanding of the work assignment by EPA and the Contractor, work plans should include the following elements:

- Statement of project objectives
- Detailed technical approach for accomplishing the work, including a list and description of tasks/action steps
- List and description of each deliverable
- Schedule for overall project and for individual tasks/deliverables
- Management and staffing plan -- how the Contractor proposes to organize and staff the project; responsibilities of various staff
- Names of proposed personnel, including subcontractor staff or consultants
- Anticipated problems, if any
- Suggested changes to the work assignment requirements, if appropriate
- Detailed cost proposal
  - Hours by professional staff level (PL)
  - Total direct labor costs
  - Other direct costs by line item (e.g., travel, copying, subcontractor)
  - Indirect costs
  - Fee
  - Total cost and fee

Although resumes are typically not submitted, the WAM may require in the work assignment that the Contractor submit resumes outlining the qualifications of staff to perform the work. This would generally be done only on selected projects requiring very specialized skills. Other information the WAM may require includes:

- Person loading chart, indicating estimated hours by staff category by task
- Cost estimate by task

On delivery order contracts, the labor hours and a cost ceiling are usually included in the delivery order, and a Contractor cost estimate is generally not required. However, the other elements listed above apply for delivery order work plans as well.

It is important that work plans be submitted for every work assignment or delivery order. Where laboratories use Technical Directives (TDs) in lieu of work assignments, work plans should be submitted for each TD.

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## **D. METHODS FOR CONDUCTING THE REVIEW**

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### **1. Time Period Allowed for Review**

Under EPAAR 1552.212-71, EPA contracts require that within a stated period of time after receipt of a work plan, (e.g., 30 calendar days), the Contracting Officer will provide written approval or disapproval of the work plan to the Contractor. If the Contractor has not received approval within a certain period (e.g., 45 days) the Contractor is required to stop work on the work assignment. Also, if the Contracting Officer disapproves a work plan, the Contractor must stop work until the problem causing the disapproval is resolved. (Note: In some contracts, the Contracting Officer has delegated the approval authority to the Project Officer.)

The WAM can only **recommend** approval or disapproval of the work plan to the Project Officer. Therefore, to allow sufficient time for notification of the Project Officer and Contracting Officer, the WAM should complete his/her review within 15 calendar days. Failure to perform the review and notify the contractor of the approval of the work plan within the stated period of review constitutes a "constructive rejection." This means that the absence of action by the WAM and Project Officer is construed as a rejection of the work plan (unless otherwise specified in the contract).

Also, note that while most EPA contracts require the Contractor to start work immediately upon receipt of a work assignment, some contracts do not allow the Contractor to begin work (other than the planning associated with the work plan) until the work plan is submitted and approved. This further demonstrates the need for timely review of the work plan by the WAM. The WAM should discuss with the Project Officer the specific review and approval requirements for the particular contract.

### **2. Items Included in Work Plan Review**

The WAM should review the work plan to determine if the Contractor's understanding and approach are consistent with the SOW of the work assignment. The technical portion of the work plan and the cost proposal should be reviewed concurrently, since the two are interrelated (e.g., the Contractor's management and staffing plan is described in the technical proposal, and the proposed hours by staff level are shown in the cost proposal).

Exhibit 6-1 presents a **checklist** for evaluating the Contractor's work plan. For convenience, the checklist presents the review elements for the technical and cost proposals separately.

The various items in the checklist are largely self explanatory. Regarding the use of Government-furnished property, the WAM needs to ensure that a justification of need (JON) has been prepared by EPA and submitted to the Contracting Officer. This, preferably, should have been included as part of the Work Assignment

Package. If it was not done at that time, the WAM should prepare the justification (described in detail in Module 4) and submit it to the Project Officer. The Project Officer will review the justification and forward it to the Contracting Officer. When the justification is determined to be acceptable, the CO will issue a modification to the contract authorizing the use of GFP by the Contractor. Until the modification has been signed by the Contracting Officer, the WAM should not issue GFP to the Contractor.

### **3. Items of Special Importance to Review**

In reviewing the work plan against the items in the checklist, several points are of special importance.

- (1) Look for additions, deletions or changes in the task descriptions, as well as any renumbering of the tasks in the SOW. This is not necessarily a problem, as long as any changes have been explained.

For example, the Contractor may reorder tasks outlined in the SOW to describe a more logical flow of the work. Or the Contractor may divide a task into two tasks in order to describe the work more clearly. These changes are most probably acceptable. On the other hand, the Contractor may propose adding a task which was not specified in the SOW. This may be judged appropriate to accomplish the objective, or it may reflect an activity which the Government does not wish to undertake at the time. All such cases should be identified and analyzed.

- (2) Note any additions or deletions to changes to the schedule of deliverables. If some deliverables have been omitted, this should be flagged. If the schedule for completion of certain deliverables differs from the dates in the SOW, assess whether the revised schedule is reasonable.
- (3) Determine whether the Contractor has presented a **detailed technical approach** to accomplishing the work. A simple restatement of the SOW tasks is not acceptable. Potential topics to include in a report, data bases to be reviewed, analytical methods to be used, or similar details should be provided to provide a basis for ensuring a consistent understanding of the requirements by the Contractor and EPA.
- (4) Compare the hours proposed with the Government estimate. If the total hours vary by more than a given amount (e.g., 10-15 percent) from the Government estimate, this may be an indicator that the effort is insufficient (if low) or greater than the work assignment budget can support.
- (5) Compare the Contractor's total estimated cost with the Government's cost estimate. If the Contractor's cost exceeds the Government estimate, the scope of work, technical approach or staffing plan may need to be adjusted.

- (6) Analyze the Contractor's proposed travel and training costs, if any. Contractor training costs are of particular concern to the Agency. As indicated in a February 28, 1992 memorandum from the Assistant Administrator, OARM, and in a May 27, 1994 memorandum from the Director, OAM, the Government should not be paying to train Contractor staff to provide the basic services called for in the contract. Only training associated with using a new method or piece of equipment or a similar purpose may be justified. This issue was emphasized in the Acquisition Management Improvement Reviews.

## **Exhibit 6-1**

### **CHECKLIST FOR EVALUATING CONTRACTOR WORK PLANS TECHNICAL PROPOSAL**

1. Does the Work Plan contain the following elements?:
  - Statement of objectives ( )
  - List and description of tasks ( )
  - List and description of deliverables ( )
  - Schedule for overall project and deliverables ( )
  - Management and staffing plan ( )
  - List of proposed personnel and their labor categories and roles ( )
- 2 Does the Contractor demonstrate a complete understanding of the requirements? ( )
3. Is the approach to the work assignment reasonable and specific? ( )  
Does the approach demonstrate a state-of-the-art understanding of the work? ( )
4. Does the list of tasks and deliverables differ from the SOW? ( )  
Do these differences appear justified? ( )
5. Does the proposed schedule differ from the WA SOW? ( )  
Is the proposed schedule reasonable? ( )
6. Is the staffing plan reasonable in terms of qualifications and distribution of responsibilities? ( )
7. Is the planned use of subcontractors reasonable (level of subcontracting, control by the prime)? ( )
8. If GFP is proposed, has a Justification of Need been prepared by EPA? ( )
9. Has the Contractor identified any issues which need to be resolved? ( )

**Exhibit 6-1 (continued)**

**COST PROPOSAL**

1. Does the Cost Proposal contain the following elements?
  - Labor hours by staff level ( )
  - Total labor costs ( )
  - Breakdown of other direct costs ( )
  - Total estimated costs and fee ( )
2. Do the estimated hours vary by more than 10 percent from the Government estimate? ( )  
Does the difference appear justified? ( )
3. Is the labor mix appropriate for the work? Is the mix of senior and junior staff appropriate? ( )
4. Is the total cost per professional/technical labor hour reasonable? ( )
5. Are other direct costs (ODCs) reasonable?
  - Is proposed travel reasonable? ( )
  - Are proposed training costs reasonable? ( )
  - Are other ODC elements reasonable? ( )
  - Are total ODCs reasonable? ( )
6. Does the total estimated cost exceed the independent Government cost estimate? ( )
  - Does the increase appear justified? ( )
7. Have proposed subcontractors or consultants received CO approval? ( )

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## **E. NEGOTIATING CHANGES TO THE WORK PLAN<sup>1</sup>**

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Based on the review of the Contractor's work plan, the WAM should **recommend** to the Project Officer one of three actions

- To accept the work plan as presented
- To negotiate changes to the work plan with the Contractor
- To amend the statement of work for the work assignment. This may involve adding or deleting tasks or deliverables, changing the period of performance, or changing the labor hour estimate.

The third action, amending the SOW of the work assignment, frequently is done in conjunction with negotiations with the Contractor.

### **1. Negotiating with the Contractor**

It is very important for the WAM to realize that Contractor work plans can be negotiated, and that the WAM can play a major role in such negotiations. The WAM does not have to accept the work plan as submitted. Examples of reasons for rejecting (or requiring clarification) of a work plan include:

- The work plan lacks sufficient detail in the technical approach
- The labor distribution is believed to be inappropriate
- The total hours and costs exceed the Government cost estimate.

In such cases, the WAM should promptly notify the Project Officer of his/her concerns preferably in writing. An example of such a communication is:

"I have reviewed the Contractor's work plan and believe certain changes should be made to make it acceptable"

- The Contractor did not list 2 of the 7 deliverables called for in the SOW.

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<sup>1</sup> The term "negotiate" is used here in the broad sense to describe the total process of reaching agreement with the Contractor on changes to the work plan (technical or cost). In most cases, this is done through discussions between the Project Officer and WAM and the Contractor. In certain instances, the Contracting Officer may get involved in the process, e.g., where the Government and the Contractor cannot agree on the cost. In such cases, the CO may formally "negotiate" the differences with the Contractor. However, as used here, negotiation refers to the total process.

- The Contractor did not specify both draft and final versions of deliverables, as called for in the SOW.
- The total estimated cost exceeds the Government's estimate by 20 percent. While the hours are approximately the same, the staffing plan appears to rely too heavily on P-4 people, leading to the increase in cost.

The WAM should meet with the Project Officer to discuss discrepancies or questions in the work plan and determine the issues for negotiation with the Contractor. The Project Officer in his/her review of the work plan may also have raised questions or identified potential changes.

The actual negotiations may be done in person or by phone. The WAM may handle the negotiations alone, if agreed to by the Project Officer. However, it is preferable that the Project Officer participate, especially if the negotiations involve potential changes to the total labor hours, labor distribution or costs, or sensitive issues such as allowable contractor training costs.

In conducting the negotiations, it is important to recognize that there are several items that the WAM **cannot negotiate**. These are:

- The WAM cannot direct the Contractor to use a particular staff member.
- The WAM cannot direct the Contractor to use a particular subcontractor or consultant.
- The WAM cannot direct the Contractor how to perform the work in terms of specifying the exact division of Contractor staff responsibilities.

The above direction would constitute or give the appearance of a **personal services** arrangement.

However, the WAM can request and review resumes of proposed staff for the work assignment, and can reject staff which do not appear to have the necessary qualifications. In such cases, the WAM should preferably have listed the desired qualifications in the work assignment, as described in Module 4.

If the Project Officer and the WAM and the Contractor cannot resolve differences in the project cost or other issues, the Contracting Officer should be contacted. In such cases, the CO may formally negotiate the differences with the Contractor. This should be infrequent.

There may, on occasion, be other issues that may require the involvement of the Contracting Officer. Examples include:

- Use of subcontractors or consultants which have not been approved under the contract.
- Use of a subcontractor which causes the approved ceiling on cost for the subcontractor to be exceeded.

Issues such as these would normally be addressed by the Contracting Officer and the Project Officer instead of the WAM. However, the WAM should be sensitive to the need for approval of subcontractors and consultants **before** they perform work on the project. The Project Officer may call the Contractor directly to discuss these issues, or may initially contact the Contracting Officer to inform the CO of potential changes. The important thing to remember is that the WAM should always contact the Project Officer when questions of the above type arise.

## **2. Negotiation Strategies**

In negotiating with the Contractor the WAM should remember that the purpose is to produce an acceptable plan of accomplishment that provides a good indication that the Contractor will deliver the required services and products within the allotted hours and budget. The Government wants to get as much work as possible for the allotted funds; the Contractor wants to be sure there are sufficient hours and funds to complete the work. These two interests do not have to conflict; producing high quality work at a reasonable cost will benefit both parties. However, the WAM needs to ensure that: (1) that the Contractor thoroughly understands the requirement; (2) that the appropriate staff are assigned to the work; and (3) that the work can be accomplished within the schedule and budget. Thus, some changes to the work plan may need to be made.

### **(1) Planning for negotiations**

In planning for the negotiations with the Contractor, the WAM should take the following steps:

- Identify issues and potential changes, using the checklist in Exhibit 6-1.
- Identify "bottom-line" needs -- the most critical objective that must be met, e.g., a report must be prepared by a certain date to present it at an upcoming conference.
- Identify non-negotiable items, e.g., available funds may be insufficient to support the Contractor's cost estimate.
- Identify negotiable items -- possible concessions that could be made without impairing the ability to achieve the key objectives, e.g., extending schedule on certain deliverables by one month.
- List questions to ask the Contractor, e.g., proposed staff to perform certain tasks (remember that the WAM cannot direct the Contractor who to use, but can require that the Contractor have a clear staffing plan for the work).

### **(2) Conducting the negotiations**

It is not possible to lay out a step-by-step approach on how the WAM should conduct a negotiation. This depends, in large part, on reacting to what the other party says. Developing a sense of the flow of a negotiation and the timing involved--such as knowing when to ask a question, offer a solution, make a demand, or raise a new issue--takes practice.

It is possible, however, to offer some general guidance to WAMs on how to act in a negotiation session:

- Ask questions first before suggesting changes. Begin the session by asking the Contractor the questions that you identified using the checklist. This will ensure that you quickly gather all of the information you need to suggest options.
- Couple the non-negotiable items with a positive suggestion. During the negotiations, the Contractor may request a concession that is one of those non-negotiable items you identified. When this happens, explain why something is not negotiable, and suggest some areas that can be negotiated. For example, you might respond to a Contractor's request for more money in the work assignment as follows:

"Unfortunately, all remaining funds in our contract budget have already been committed, so we don't have any extra money for the work assignment. Maybe we can talk about reducing the scope somewhat, or look at some ways to reduce costs."

The statement lets the Contractor know that the request for more funds is something that you are **unable** (rather than **unwilling**) to provide. Suggesting one or two alternatives lets the Contractor know that there are other ways to address the concern of "not enough hours to complete all of the work."

- Stick to the agenda. If you think the negotiation discussions are going off on a tangent, don't be afraid to say, "I would like to get back to discussing \_\_\_\_\_."
- Use non-confrontational language. Try to pose questions that are open-ended and use words that are not emotionally charged, as illustrated below:

#### **CONFRONTATIONAL LANGUAGE**

Why are these ODC costs so high?

Can't you get this done sooner?

Your proposed labor mix has too many senior staff hours.

It shouldn't take so many hours to complete this task.

#### **CONSTRUCTIVE LANGUAGE**

Tell me more about the basis for your travel and copying costs.

Is there a way that we could advance the schedule for delivery of the data base?

You could reduce costs somewhat if you moved some of the senior staff hours to more junior levels.

Let's discuss the steps needed to complete this task.

- Offer your proposed solutions. Be willing to suggest the possible solutions that you identified using the checklist. Suggesting alternative solutions helps to reduce the adversarial tone of a negotiation session.
- Ask the Contractor to suggest solutions. If the Contractor keeps shooting down every suggestion you make without offering any alternative, you could ask:  
  

"What do you suggest as an option, given the constraint that no additional funds are available for the work assignment?" This puts the responsibility back on the Contractor to come up with some solutions, rather than just criticizing your proposal. When asking this question, make sure to reiterate the non-negotiable items.
- Summarize the agreements reached. At the end of the negotiation session, take a moment to verbally summarize the agreements that you and your Contractor have reached. This will help to ensure that you both have the same understanding about the agreement.
- Document the outcome of the negotiations in a brief memorandum for the record. The memorandum should describe:
  - Date of negotiation
  - Participants for the Government and the Contractor
  - Issues raised
  - Agreements

Exhibit 6-2 illustrates a memorandum of negotiations.
- At the direction of the Project Officer, draft a letter to the Contractor identifying the changes, if any, desired in the work plan. In some cases, the Project Officer may draft this letter. Depending on the contract, it may be transmitted to the Contractor by the Project Officer or Contracting Officer.

**Exhibit 6-2**

**SAMPLE MEMORANDUM FOR DOCUMENTING NEGOTIATIONS  
ON WORK PLAN**

**MEMORANDUM**

**SUBJECT:** Negotiations with XYZ Company, November 2, 1994

**FROM:** J. Jones, Work Assignment Manager

**TO:** The Record

On November 2, 1994 negotiations were held with XYZ Contractor to discuss Work Assignment Number 95 on Contract 68-D3-0660. Attending for the Government were:

S. Smith, Project Officer  
J. Jones, Work Assignment Manager  
B. Johnson, Contractor Program Manager

The key issues raised were:

- The Contractor included a task which was not explicitly required in the SOW.
- The Contractor's estimate of labor hours exceeded the Government's by 425 hours (2925 vs. 2500). (The Contractor's cost estimate exceeded the Government's by \$35,000, although this point was not raised.)

At the meeting it was decided that EPA did not believe there was enough information known at this point to determine whether the additional task was necessary. Therefore the agreement was:

- The Contractor would revise the work plan to delete the additional task.
- The Contractor would adjust the labor hours and cost estimate accordingly.
- EPA will review the status of work after the completion of Task 3 and the submission of Deliverable 2. If the proposed new task appears justified at that point, an amendment to the work assignment will be prepared.

**cc:** S. Smith, Project Officer

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## **F. AMENDING THE WORK ASSIGNMENT**

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In most cases, the issues raised by the WAM in review of the work plan can be resolved through negotiations with the Contractor and a revised work plan. On occasion, however, the work assignment should be amended. As discussed in Module 9, there currently are not uniform Agency guidelines on when to request an amendment. Deciding whether to request an amendment to the work assignment at this point is a judgment call of the WAM, the Project Officer and the Contracting Officer. Suggested criteria include:

- Deletion of tasks or deliverables
- Addition of tasks or deliverables
- Change in the overall period of performance
- Increase or decrease in hours from the Government's estimate by more than a given amount, e.g., 10-15 percent.

If the WAM or PO have questions on whether an amendment is required, they should contact the Contracting Officer.

The procedure for preparing a work assignment amendment request is discussed in Module 9. Only the Contracting Officer can issue an amendment. The WAM should prepare a memorandum to the Project Officer addressing the need for the amendment and providing appropriate background information. An example of such a communication is: "I have reviewed the Contractor's work plan and would like to request an amendment to my work assignment. The purpose of this amendment is:

- "To modify the statement of work in the work assignment, to add a task or tasks, to delete a task or tasks, or to modify an existing task. Attached is a description of the additional or revised tasks.
- "To extend the period of performance or to decrease the period of performance. (When requesting a change to the period of performance, please explain why the change is necessary.)
- "To redistribute labor resources."

Note that some Contracting Officers use an amendment (as opposed to a memorandum) to approve a work plan. In such cases, the PO will typically prepare the amendment on the standard work assignment form, indicating that the technical approach, professional/ technical labor hours, labor mix, other direct costs, total costs and completion date (as originally proposed or revised through negotiations) are acceptable. The WAM and PO should check with the CO to determine if this practice is to be followed.

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## **MODULE 7: PERFORMING TECHNICAL MONITORING**

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### **A. INTRODUCTION**

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This Module describes procedures for monitoring the technical progress of the Contractor in performing the work assignment. Methods and issues in giving technical direction are discussed. Procedures are presented for conducting progress meetings, reviewing technical progress reports and deliverables, and monitoring adherence to quality assurance requirements. Potential contracting improprieties and vulnerabilities related to technical monitoring are introduced.

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### **B. OBJECTIVES**

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At the completion of this Module, you will be able to:

- Describe appropriate and inappropriate forms of technical direction.
- Describe effective methods to monitor Contractor technical progress.
- Describe methods for reviewing the technical portion of Contractor progress reports.
- Describe general procedures for reviewing Contractor deliverables.
- Describe general approaches for providing feedback on Contractor performance.
- Describe issues and general approaches for dealing with subcontractors.
- Describe process for monitoring compliance with Quality Assurance requirements.
- Identify potential corrective actions to improve Contractor performance.
- Identify contracting improprieties and vulnerabilities related to technical monitoring.

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## **C. IMPORTANCE OF EFFECTIVE TECHNICAL MONITORING**

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In nearly all cases the Project Officer delegates the great majority of responsibility for technical monitoring to the WAM. Because Project Officers are often not technically proficient in the subject matter of the work assignment, the responsibility for reviewing technical progress and deliverables must rest with the WAM. Since technical monitoring occurs over the entire life of the work assignment, it requires a greater percentage of the WAM's time than any other task.

Effective technical monitoring is also important for several other reasons:

- It helps ensure that the Government receives the services and products it needs to accomplish its mission.
- It helps ensure that the Government's funds applied to the work assignment are used productively.
- It helps identify problem areas and corrective actions to ensure that the Government's objectives are met.
- It supports the evaluation of Contractor performance required in administering cost-plus-award-fee (CPAF) contracts.
- It assists the Contractor in adjusting approaches and resources to better meet the needs of the Government.

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## **D. PROVIDING TECHNICAL DIRECTION**

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### **1. Formal Definition of Technical Direction**

Throughout the course of the work assignment, the WAM will provide direction to the Contractor to assist the Contractor in performing the work described in the statement of work. According to EPAAR 1552.237-71, Technical Direction consists of two forms:

- Direction to the Contractor that assists him/her in accomplishing the statement of work
- Comments on and approval of reports or other deliverables.

Technical Direction helps ensure that the Government and the Contractor have a common understanding of the Government's requirements. Technical Direction also supports the establishment of an audit trail on how the project has evolved over time. Other uses include documenting decisions by the WAM at predetermined milestones, including selection from alternatives, and establishing the order of priority among established tasks.

Originally, only the Project Officer was authorized to provide technical direction. However, based on the findings of the Acquisition Management Improvement Reviews, OAM developed a class deviation to the above EPAAR clause to allow the Contracting Officer to authorize someone in addition to the Project Officer (e.g., the WAM) to provide technical direction on a particular work assignment.

All technical direction must be issued in writing or, if provided verbally, must be confirmed in writing within five calendar days. WAMs must provide a copy of the Technical Direction memorandum to the Project Officer. Project Officers (or WAMs) must send a copy to the Contracting Officer.

Some examples of appropriate technical direction related to the above definition are the following:

- Presentation of comments by the WAM on a deliverable to the Contractor's Project Manager by means of a memorandum summarizing strengths, weaknesses, and desired changes; and/or return of a "marked-up" draft.
- Issuance by the WAM to the Contractor Project Manager of a copy of a revision to a standard laboratory operating procedure which the Contractor is to use in analyzing air quality samples.
- Direction by the WAM to the Contractor Project Manager to perform two specific types of analyses on an acquisition management data base to assist managers in responding to inquiries on extramural activities (the work assignment indicated only that analytical reports would be required, without specifying the particular analyses).

- Direction by the WAM to the Contractor to modify the algorithm used in an emission estimation model as a result of review by the WAM of the results of a test of the model.

## 2. Unauthorized Technical Direction

WAMs and Project Officers cannot issue Technical Direction that:

- Institutes additional work outside the scope of the contract or work assignment
- Constitutes a change (see "Changes" clause in contract)
- Causes an increase or decrease in the estimated cost of the contract or work assignment
- Alters the period of performance of the contract or work assignment
- Changes any other of the express terms or conditions of the contract or work assignment.

In addition, WAMs cannot issue technical direction which constitutes **supervision** of the Contractor, or an employer/employee relationship. As discussed in Module 3, this creates a **personal services contract** which is illegal. A personal services contract results when the Government assumes the right to instruct, supervise or control a Contractor's employee in how he/she performs the work.

### (1) Avoiding a Personal Services Arrangement

There are several actions WAMs and Project Officers should take when giving technical direction to avoid the occurrence of or appearance of a personal services relationship. These include:

- Do not direct the Contractor on how to perform a particular task. The WAM should specify the required products and can suggest methods or procedures. Also, in certain cases, the WAM may specify analytical methods or protocols to be used, e.g., to ensure data comparability. However, the WAM should not, for example, direct the Contractor to use a particular staff member or mix of staff to accomplish the work.
- Do not direct the Contractor to use a particular subcontractor or consultant. The WAM can, however, specify the skills and experience required for a particular task and can give examples to the Contractor of the type of individuals who have the requisite skills.
- Document all instances of technical direction.
- Ensure that technical direction is provided only by those authorized to do so - the Project Officer, WAM or other individual authorized by the Contracting Officer.
- Provide technical direction only to the Contractor's Project Manager or to other designated point(s) of contact for the work assignment, not to individual staff.

- If the work assignment involves administrative support services, such as typing, editing, or graphics, or routine laboratory support services, such as dish or cage cleaning or equipment fabrication, initiate work through the use of work or service request forms, rather than dealing directly with the individual Contractor staff member.

## **(2) Other Prohibitions in Giving Technical Direction**

There are several other situations WAMs and Project Officers should avoid in regard to Technical Direction:

- Do not discuss or divulge to the Contractor any information relevant to a work assignment prior to its issuance.
- Never authorize work to begin before issuance of a work assignment by the Contracting Officer.
- Do not direct the Contractor to perform services which are inherently governmental in nature.

## **(3) Unauthorized Procurement Actions**

In certain instances, inappropriate technical direction may constitute an "unauthorized procurement action," which may require a **ratification**. An unauthorized procurement action (often called an "unauthorized commitment") is an illegal contract action taken by an EPA employee who does not have Contracting Officer authority, which commits the Government for the expenditure of funds in exchange for goods and services. Examples of such actions include:

- Directly or tacitly approving of a contractor performing work before a contract has been issued or after the term of the contract has expired
- Authorizing a subcontractor or consultant to perform work without formal approval by the Contracting Officer
- Unauthorized direction that increases the scope of the contract or work assignment
- Unauthorized direction that changes the terms and conditions of the contract.

Under certain circumstances an unauthorized procurement action may be ratified. Ratification can only occur if the action would have been valid had it been made by the Contracting Officer.

Consenting to an unauthorized procurement action is a serious matter. Obtaining approval of a request for ratification can be a long and complex process. It could result in personal liabilities for the individual involved, if the ratification is not approved, and disciplinary action, even if approved. Therefore, considerable caution must be exercised to avoid such a situation.

When an unauthorized procurement action does occur, the laboratory or office must notify the Contracting Officer by memorandum of the circumstances surrounding the action. Either the Project Officer or the WAM will prepare a memorandum with the following information:

- Documentation detailing: (1) who authorized the work, (2) what the work was for, (3) when the work was performed, and (4) how the work was necessary and beneficial to the Government
- A description of why the unauthorized procurement action occurred and a statement of steps taken or proposed to prevent its recurrence.

If expenditure of funds is involved, the memorandum must be accompanied by a Procurement Request with sufficient funds to cover the services involved. The memorandum must be approved by a Division Director (or person of equivalent rank in the responsible laboratory, center or office). Some laboratories, centers and offices may require approval by the respective Laboratory, Center or Office Director.

After the memorandum is approved, the Project Officer will forward it to the Contracting Officer. The Chief of the Contracting Office (CCO) is the ratifying official. The Contracting Officer will:

- Prepare a determination and findings (D&F) regarding ratification of the unauthorized act.
- Inform (at the CCO's discretion) the Inspector General of the action by memorandum routed through the Director, OAM.
- For ratification actions exceeding the small purchase limitation, prepare a memorandum from the Assistant Administrator of OARM to the Assistant Administrator of the program office advising him/her of the person committing the unauthorized action and recommending corrective action as appropriate.

A further description of the ratification process is given in the *Contract Administration Training Manual*, Chapter 13, the *Contracts Management Manual*, Chapter 12 and EPAAR 1501.602-3.

### 3. Operational Definition of Technical Direction

Many WAMs and Project Officers have raised the issue of what in practice constitutes **technical direction** as opposed to **technical clarification** or **technical communication**. The differences, however, are neither always apparent nor uniformly agreed upon.

First, WAMs and Project Officers should be aware that some laboratories use **Technical Directives** in lieu of work assignments or to definitize work assignments which are broad in nature. In the first case, the Technical Directives are similar to work assignments; the primary difference is that they do not have to be issued by the Contracting Officer. Both cases are obvious examples of technical direction, which must be documented.

The distinction between technical direction (TD) and technical clarification or technical communication (TC) becomes less clear when the communication occurs as part of the WAM's regular activities in monitoring and reviewing the Contractor's work. Documenting technical direction serves the dual purpose of providing an audit trail and assisting the Contractor to achieve the work assignment objectives; however, one does not want to create a paper mill.

To assist WAMs in understanding the differences, the following definition is offered for technical clarification/communication:

Communication given orally or in writing by the Project Officer or Work Assignment Manager which provides a further explanation of a work assignment requirement (that does not change the technical requirements), responds to a Contractor question, or represents an exchange of scientific views on a subject.

To examine the differences between TD and TC, consider the following examples:

- After reviewing a draft report, the WAM verbally requests the Contractor to change the title on the report cover and to reorder two sections presented on two pages of a 50 page report.
- The WAM meets with the Contractor to discuss the specific contents of a briefing package which was identified as a task in the work assignment.
- The WAM requests the Contractor to prepare a briefing package for a task; the work assignment only called for a report, not a briefing.
- The WAM requests the Contractor to conduct a specific experiment based on the results of several prior experiments in the area of neurotoxicology. The work assignment called for research support in neurotoxicology, but did not delineate specific environmental studies.
- The WAM meets with the Contractor Project Manager to discuss progress on the work assignment. In the course of this meeting the WAM and the Contractor Project Manager brainstorm approaches to an exposure assessment methodology; the WAM also alerts the Contractor to a recent journal article on the subject.

The first example appears to fit within the "formal" definition of technical direction provided earlier. However, the changes to the draft report are minimal and involve no content revisions. In this case, the comments would probably be considered technical clarification. If the changes involved additional sections or substantial content revisions, this would be technical direction.

In the second example, the requirement for the briefing package was in the work assignment. The general content of the briefing package has not changed; the WAM and the Contractor meet to discuss the range and order of topics presented and the format, based on the size of the audience. This should probably be considered technical clarification. However, while not issuing technical direction formally to the Contractor, the WAM should document the meeting for the record.

In the third example, the briefing was not listed in the work assignment. This is an additional task and deliverable; even if the additional effort is relatively small, this would probably be considered technical direction and documented. In fact, this change would probably necessitate that an amendment be prepared.

In the fourth example, the original work assignment is being definitized based upon the results of ongoing research. The particular experiment was not previously documented. This is clearly technical direction. Note also that while the WAM is directing the Contractor to perform a specific task, this is not Personal Services; the WAM is not telling the Contractor how to perform a research study, but rather to conduct a new experiment based on results obtained from prior research.

In the fifth example, the WAM and the Contractor are exchanging professional scientific views on a research approach; also the WAM is sharing knowledge (about a recent article) to allow the Contractor to be fully informed. The contact is not for the purpose of causing the Contractor to take a particular act. Accordingly, this should probably be considered technical communication.

The WAM has to apply judgment in determining whether to consider a particular communication with the Contractor technical direction. Communications involving significant changes to a deliverable, or definitization of a broad work requirement, would be technical direction. **However, when in doubt, the WAM should always err on the side of more documentation.**

An example of a Technical Direction Memorandum is presented in Exhibit 7-1.

Exhibit 7-2 presents another example of technical direction -- a **service request form** which is used to request specific laboratory analytical support services under a work assignment.

**Exhibit 7-1**

**TECHNICAL DIRECTION MEMORANDUM**

**Contract No.:** 68-D1-0772                      **Work Assignment No.:** 94-3, Task No. 3

**Contractor:** ABC Company

**Request Date:** January 18, 1994                      **Due Date:** March 31, 1994

**Description:** In reference to Task No. 3, Contractor shall prepare a memorandum presenting proposed revisions in the Contractor's methods for benthic and sediment analysis for use in the EMAP Near Coastal project. These revisions are necessary to incorporate refinements identified by EPA through a technical systems audit conducted subsequent to the development of the Regional methods manual. These changes are also needed to respond to comments concerning data comparability made by the EMAP Near Coastal QA Officer in reviewing the laboratory's methods prior to the performance of the analysis.

**Work Assignment Manager:** F. Smith                      **Date:** January 19, 1994

**Project Officer:** P. Jones                      **Date:** January 21, 1994

**Issued in Writing to Contractor:**                      **Date:** January 21, 1994

**Contractor Project Manager:** C. Brown

**cc: Contracting Officer:** H. Gold

Exhibit 7-2

SERVICE REQUEST FORM

Contractor: EFG Company

Contract No: 68-D1-0932

Work Assignment No: 95-8

Date Requested: August 2, 1995

Date Needed: August 16, 1995

Work Category: (see below): 9

Description of Work

1. Take small subsamples and analyze "low lead (Pb)" brass value alloy received for lead (Pb), copper (Cu), zinc (Zn), bismuth (Bi), tin (Sn) and phosphorous (P).
2. Similarly analyze three values for prior leaching tests as above.
3. Perform analyses in accordance with EPA-approved protocol for analyses of alloy materials as described in WA 95-8.

Work Categories

- |  |  |
|--|--|
| 1. Routine analytical support          | 6 X-ray diffraction qualitative analysis |
| 2. Method implementation on instrument | 7 Instrument interfacing                 |
| 3. Method testing                      | 8 Control sampling system development    |
| 4. QA/QC evaluation/reporting          | 9 Special analysis                       |
| 5. Experimental data analysis          |  |

Work Assignment Manager: A. Johnson

Date: August 2, 1995

Project Officer: P. Crown

Date: August 3, 1995

Contractor PM Acknowledgement: T. Smythe

Date: August 3, 1995

## EXERCISE

Please review the situations listed below and indicate whether these constitute technical direction (TD) or technical clarification/communication (TC).

---

<u>Situation</u>	<u>TD</u>	<u>TC</u>
1. The WAM and Contractor PM meet after the work assignment is issued to discuss and clarify what is meant/desired by certain tasks	(   )	(   )
2. The WAM requests the Contractor to prepare a draft as well as a final version of each of four deliverables. The SOW did not specify drafts.	(   )	(   )
3. The WAM meets with the Contractor PM and statistical analyst to discuss alternative approaches for dealing with data gaps in developing a model for groundwater management.	(   )	(   )
4. The WAM requests that the Contractor prepare 40 copies of a 60-page report for distribution to all the labs and offices; the WA did not specify the number of copies.	(   )	(   )
5. A principal investigator asks the Contractor PM to include chlorides and sulfates in the list of substances to be analyzed in 500 samples.	(   )	(   )
6. The WAM requests the QA Contractor to revise the QA manual prepared by the Contractor to reflect new guidance from the Quality Assurance Division in conducting technical system audits.	(   )	(   )
7. In response to a question from the Contractor, the WAM tells the Contractor not to worry about a particular task since the priorities have changed.	(   )	(   )
8. The WAM asks the Contractor to arrange for Federal Express mailing of a package to the "remote" laboratories to facilitate review.	(   )	(   )

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## OTHER QUESTIONS

1. Do any of the above examples constitute personal services or inherently governmental functions?
2. Would any of the above examples require an amendment?

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## **E. MONITORING CONTRACTOR PERFORMANCE**

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There are several ways the WAM can monitor the Contractor's technical performance. The particular methods selected depend on the nature of the work assignment, the location of the Contractor, the quality of performance and extent of any problems, and the WAM's management style.

Suggested methods include:

- Periodic meetings and telephone discussions on work assignment progress and issues with the Contractor Project Manager. For effective monitoring, on work assignments lasting three months or more, there should probably be at least one meeting or telephone discussion every two weeks. The WAM can specify verbal progress reports in addition to written progress reports in the work assignment.
- For off-site contracts, site visits to examine the Contractor's research facility and meet and discuss technical issues with the Contractor's Project Manager and technical staff. This can also be a good opportunity to perform a review of any GFP issued to or acquired by the Contractor.

Lack of travel funds may make site visits difficult. Also, it would not be practical for every WAM on a large contract to visit the Contractor's site. It may be desirable for one or two WAMs and the Project Officer, as representatives of the laboratory, to visit a Contractor. This function will become more important, if more EPA contracts are shifted off-site.

- Conducting peer reviews of deliverables. This should be specified in the work assignment.
- Reviewing Contractor progress reports. This is discussed in Section F below.

It is good practice for the WAM to document all meetings and telephone discussions held with the Contractor on project progress. The absence of such records has been flagged by the OIG in recent audits. Also, EPA Order 1900.1A calls for the preparation of such documentation. Examples of meeting and telephone reports are presented in Exhibits 7-3 and 7-4.

The WAM should generally inform the Project Officer of meetings with the Contractor, so the Project Officer can attend if he/she desires. Meetings to discuss particular issues or problem areas should always be attended by the Project Officer.

Other suggestions for the WAM in conducting progress meetings with Contractors include:

- Develop an agenda. This may or may not be written, but the WAM should know what he/she want to accomplish.
- If there are significant issues to discuss or resolve, notify the Contractor Project Manager in advance so he/she can be in a better position to respond.

**Exhibit 7-3**

**MEETING DOCUMENTATION MEMO**

**MEMORANDUM**

**SUBJECT:** Meeting with ABC Company on Status of WA 95-8

**FROM:** T. Green, Work Assignment Manager

**TO:** The Record

**DATE:** August 9, 1995

I met with D. Price (Project Manager) and C. Brown (Program Manager) of ABC Company on August 9, 1995 to discuss the status of WA 95-8.

**Task 1 - Data Base Development**

All questionnaires have been received, edited and entered. Listings have been produced and are ready for validation. An issue is when we want to conduct the validation and whether we want to ask for additional data from the labs. I will follow up with Division Director.

**Task 2 - Budgeting Manual**

Contractor provided me an outline of the manual. It looks fine to me, but I will have our branch chiefs review it before approving the outline. Contractor will proceed with the first two chapters in the interim.

**Task 3 - Support to Steering Committee**

Contractor has developed draft agenda and concept paper for first meeting of Steering Committee. Contractor needs to know what graphics will be required. I discussed topics for graphics with the Contractor; Contractor will get back to me in 3 days with draft charts. I indicated changes on the agenda and concept paper; Contractor will finalize.

**cc:** C. Allen, Div. Director  
P. Jones, Project Officer  
D. Price, Project Manager, ABC Company

## CONVERSATION RECORD

TIME

DATE

April 7, 1995

TYPE

☐ VISIT☐ CONFERENCE☒ TELEPHONE☐ INCOMING☐ OUTGOING

ROUTING

NAME/SYMBOL IN

Location of Visit/Conference:

NAME OF PERSON(S) CONTACTED OR IN CONTACT  
WITH YOU

D. Price, Project Manager

ORGANIZATION (Office, dept., bureau,  
etc.)

ABC Company

TELEPHONE NO.

(703) 734-4900

SUBJECT

Contract 68-D1-0642 W.A. No. 95-5

## SUMMARY

Contractor called to say he was having difficulty setting up meetings and telephone discussions with PODs. (We previously had sent letter to ODs and LDs indicating purpose of Contractor contacts.) I said I would call appropriate individuals to facilitate contacts. Contractor gave me list of people he had been unable to arrange discussions with.

## ACTION REQUIRED

Call selected office and lab PODs.

NAME OF PERSON DOCUMENTING CONVERSATION

SIGNATURE

DATE

F. Smith, WAM

4/7/95

## ACTION TAKEN

SIGNATURE

TITLE

DATE

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**F. REVIEWING TECHNICAL PROGRESS REPORTS**

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**1. Contents of Technical Progress Reports**

Most EPA contracts require that Contractors submit a combined monthly technical/financial progress report by the 15th (or other date) of each month, following the first complete calendar month of the contract. The standard EPAAR clause (1552.210-72) for cost reimbursement contracts (recently revised) specifies that the technical portion of the progress report should address:

- Activities performed and deliverables submitted in the previous month and the percentage of the work assignment completed
- Any difficulties encountered during that time and remedial actions taken
- Activities planned and deliverables to be submitted during the next month
- Outstanding actions awaiting Contracting Officer authorization (noted with the corresponding work assignment), such as work plan approvals, subcontractor/consultant consents, and overtime approvals.

The requirements for time and materials, delivery order contracts are similar.

-Additional useful information includes:

- Issues for resolution
- Action items for EPA
- Changes in key personnel
- Any possibly unsuccessful or poorly rewarded research efforts (to provide the WAM with insight for improving future communications and work assignments)

**2. Uses of Technical Progress Reports**

The technical progress reports serve the following purposes:

- Assisting the WAM in monitoring technical progress on the work assignment
- Assisting the WAM in reviewing invoices and monitoring the financial status of the project by comparing hours and costs against the technical activity
- Supporting an audit trail of work performed.

In reviewing the technical progress reports, the WAM should pay **particular attention** to the following:

- Any activities performed which appear outside the scope of the work assignment. While this is not common, it could cause a question in an audit and could necessitate a ratification
- Any activities such as long distance travel or training which have not been authorized in advance.
- Comparison of the activities accomplished with the activities planned as reported in the prior month. A significant discrepancy may suggest an evolving problem in performance.
- Any difficulties encountered, issues raised, or changes made in technical approach. For example, the Contractor may have decided to change the statistical method used in a modeling project. This may be perfectly acceptable, but the WAM should be aware of it.
- Changes in key personnel (see Section 4 below).

### **3. Frequency and Due Dates of Reports**

Most EPA contracts require that the Contractors submit progress reports by the 15th of the month. This may be too late for use in reviewing invoices, and may also be somewhat late for identifying and taking corrective action.

The WAM and Project Officer may request that through the Contracting Officer the reports be submitted earlier, e.g., by the 10th of the month. This should be done by a modification to the contract (covering all work assignments), or, preferably, be specified in the solicitation or at contract award.

The WAM and Project Officer can also request through the CO, more frequent progress reports, e.g., semi-monthly, or that additional information be provided. Semi-monthly or bi-weekly reports may be useful on work assignments of less than three months. In all cases, the benefit of the more frequent or additional information provided must be weighed against the cost to provide the information and the time to review it.

### **4. Changes in Key Personnel**

Most EPA contracts contain a key personnel clause which prohibits the Contractor from making any substitutions to key personnel within a given period (e.g., 90 days) unless the substitution is necessitated by illness, death or termination of employment. After the initial time period, the Contractor must obtain approval of any substitutions to key personnel by the Contracting Officer. The proposed substitutes should have comparable qualifications to those being replaced. This means more than simply meeting the minimum qualifications for personnel levels stated in the solicitation. Also, the key personnel should be working in the capacity and for the level of effort indicated by the Contractor in the proposal.

The Project Officer has the primary responsibility for reviewing and recommending approval or disapproval of changes to key personnel. The WAM may be requested by the Project Officer to provide input on the qualifications of the proposed substitute(s). While it is the Contractor's responsibility to notify EPA of changes, the WAM and Project Officer should review the progress reports and monitor any apparent staff changes to ensure that the requirements for key personnel are met. The WAM should request from the Project Officer names of all key personnel on the contract.

When a replacement to a key person is proposed, the Project Officer should send a memorandum to the Contracting Officer recommending approval or disapproval (with specific reasons) of the change.

The occasional replacement of key personnel with staff of lesser qualifications was a vulnerability identified in the Acquisition Management Improvement Reviews. While the monitoring of key personnel is primarily a Project Officer function, the WAM does have a supporting role in ensuring that the requirements are met.

## **5. Documenting Review of Progress Reports**

It is good practice for the WAM to annotate Contractor progress reports to indicate questions that arise during the review. The Contractor's response should also be listed. Such notes document the exercise of contract oversight by the WAM and support a complete audit trail of the work assignment. This is especially important if there are questions on whether the Contractor exceeded the scope of the statement of work.

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## **G. REVIEWING DELIVERABLES**

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The Contracting Officer has the ultimate authority for "accepting supplies and services" on behalf of the Government. However, as indicated in Module 2, the review and approval of deliverables is almost always delegated to the Project Officer, who, in turn, delegates this to the WAM.

How the WAM reviews a particular deliverable is dependent on the nature of the product or service and management style of the WAM. The most important things are that the WAM:

- Performs a detailed and timely review of the deliverable This is important to ensure that products supporting a key Government milestone are ready when needed. It also provides motivation to the Contractor to produce a quality product if the Contractor knows that EPA cares enough about the item to perform a thorough review of it.
- Seeks other technical experts to review the deliverable, as necessary.
- Provides specific feedback to the Contractor on desired changes to the deliverable. As indicated earlier, if the changes are other than cursory, this feedback constitutes technical direction and thus must be documented.
- Documents review of the deliverable through a deliverable review form, a memorandum to the Contractor presenting comments, or annotation of the draft.

Exhibit 7-5 presents a form for review of deliverables.

**Exhibit 7-5**

**REVIEW OF DELIVERABLES**

Contractor: ABC Company  
Contract Number: 68-D1-0772  
Work Assignment Number: 95-4  
Work Assignment Manager: D. Smith  
Deliverable Due Date: February 1, 1995  
Date of Receipt: February 19, 1995  
Deliverable Number and Title  
(From WA/Work Plan): 3 - Draft EMAP Administrative Manual

Description of Deliverable:  
Comprehensive Manual describes roles and responsibilities of EMAP  
managers, record keeping and reporting procedures and formats

Decision: Accepted ( X ) Rejected ( ) Amendment Proposed ( )

**Comments:**

1. Were all specifications met to the desired level of quality? If not, what was missing?  
Yes
2. Was deliverable timely? If not, did delay make deliverable of reduced value to EPA? Why was it not timely?  
Minor delay due to difficulty in scheduling meetings with EMAP staff
3. What, if any, changes are needed to meet the specifications or improve quality or usefulness?  
Comments furnished to Contractor in separate memorandum. Changes will be reflected in final manual.
4. Will any changes necessitate a work assignment amendment?  
No

Reviewer: D. Smith Date Reviewed: 2/26/95

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## H. PROVIDING FEEDBACK ON CONTRACTOR PERFORMANCE

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### 1. Vehicles for Providing Feedback

On cost-plus-award-fee (CPAF) contracts, the award fee process is the primary vehicle for providing feedback to the Contractor on performance. As discussed in Module 9, it is essential that the award fee process be performed in a timely manner in order to properly motivate the Contractor. By preparing a **Performance Event Report** documenting the Contractor's performance during the evaluation period, the WAM plays a key role in this process.

While the award fee process is a good mechanism for providing feedback, it is not the only approach available. On other types of contracts, as well as on CPAF contracts, if there are problems with services or deliverables, the WAM should alert the Project Officer, and then discuss the problems with the Contractor's Project Manager. As appropriate, the Project Officer may elect to participate in or lead the discussion with the Contractor.

**In all cases, the feedback should be focused on the quality and timeliness of services and deliverables, as opposed to the performance of individual Contractor employees.** Concentrating on individual staff performance may create the appearance of a Personal Services relationship.

Most problems can be resolved through discussions with the Contractor. If problems persist, the Project Officer should notify the Contracting Officer. The WAM should document any problems which continue in a memorandum to the Project Officer. The Contracting Officer has several means available to promote improved performance including issuing a cure notice.

### 2. Approach for Providing Feedback

It is important that feedback to the Contractor be both **timely and specific**. Feedback which is timely will help support correction of a problem before it becomes severe. Feedback which is specific (*i.e.*, addressing particular aspects of a deliverable or a service which are not acceptable) will help the Contractor focus on the most critical actions to meet EPA's needs.

The following additional guidance is offered to WAMs in providing feedback to Contractors:

- **Provide regular feedback throughout the course of the work assignment.** - While formal feedback is provided through the award fee process on CPAF contracts, the WAM should periodically offer comments on the Contractor's work as the work assignment progresses. Regular progress meetings and telephone discussions with the Contractor are a good means to do this. Regular feedback can help ensure the quality of a deliverable by preventing misdirected efforts.

- **Reinforce positive performance.** - Providing positive feedback on a formal deliverable or an interim product will provide a strong motivating force to the Contractor to sustain a high quality effort.
- **Be forthright in your complaints.** - **Discuss your concerns with an objective colleague.** - It can be helpful to discuss your concerns about a Contractor's performance with a colleague. This can be the Project Officer, the Contracting Officer, a supervisor, or an individual with technical expertise in the area of work. This can be especially useful if you are upset with the Contractor's performance. You may want to have this individual participate in a meeting with the Contractor to discuss performance.
- **Be willing to listen to explanations and suggestions on how to fix the problem.** - It is likely that the Contractor will come up with the solutions similar to your own. The Contractor will "own" the problem and save face at the same time. But be sure you indicate your specific concerns.
- **Use non-confrontational language.** - As in negotiations on work plan revisions, the WAM should try to pose questions that are open-ended and use words that are not emotionally charged. The following are examples of confrontational and constructive language.

#### **CONFRONTATIONAL LANGUAGE**

You have completely ignored the directions I gave you on the statistical approach.

This product is totally unacceptable; it will have to be completely redone.

You clearly didn't understand my instructions.

These revisions will have to be covered by the existing money in the task.

#### **CONSTRUCTIVE LANGUAGE**

I was surprised at the statistical approach you took, given our discussions. What was your reasoning?

I would like to discuss some changes to the product. They are fairly extensive, but I think they are necessary to make the product more targeted to our laboratory's needs.

Let's discuss how this happened so we can prevent future misunderstandings.

Unfortunately, we don't have any additional funds for the task. How can we get these revisions completed while staying within budget?

### **3. Other Actions to Improve Contractor Performance**

In the great majority of cases, Contractor performance will be enhanced and performance problems will be resolved through the actions described above. However, if these actions are not successful, there are several additional steps the WAM and Project Officer, in conjunction with the Contracting Officer, can take.

- The WAM can recommend suspending Contractor payments pending correction of deficiencies. On work assignment (LOE) and most time- and-materials, delivery order contracts the Contractor guarantees only "best efforts," and the Government must usually pay for reperformance. However, if Contractor does not correct deficiencies after several requests, the Government can suspend payment.
- The WAM can recommend to the Project Officer disallowing Contractor costs if the Contractor ignored the Government's written technical direction, clearly exceeded the scope of work requested, failed to inquire about and clarify obvious ambiguities, or acted in bad faith.

Only the Contracting Officer may disallow costs. The WAM and Project Officer can only recommend. However, these actions should rarely be required if the Contractor is reasonably competent and conscientious, and the WAM performs effective technical and financial monitoring.

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## **I. SPECIAL CONDITIONS REGARDING SUBCONTRACTORS**

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### **1. General Guidance - Do's and Don'ts**

Some EPA contracts have a significant percentage of the work performed by subcontractors. Most likely, the inclusion of the subcontractors on the team was a key factor in the prime Contractor's selection for the contract. However, as indicated earlier, the Government has no direct contractual relationship, i.e., no "privity of contract" with a subcontractor. Because of this, EPA may not deal directly with subcontractors on contractual issues. In practice this means the following:

- WAMs should never direct which portion of the work should be done by a subcontractor. However, as indicated in Module 4, the WAM can include in the work assignment specific personnel qualifications and can review resumes of proposed staff for the work assignments. Subcontractor staff can also be included as key personnel in the contract.
- WAMs should never direct the prime to subcontract with a particular firm or consultant. Occasionally, subcontractors or consultants are added to the contract after the contract is awarded. While WAMs and Project Officers can indicate the types of skills required for particular work assignments, they should avoid "leading" the prime to a particular firm or individual.
- In general, direct contact between the Government and a subcontractor should be kept to an absolute minimum. In reality, the nature of some work assignments makes this difficult, e.g., in cases where the prime Contractor is off-site, and a subcontractor is performing an on-site task.

WAMs and Project Officers may deal directly with a subcontractor if (1) the prime Contractor in the work plan explicitly indicates that a given subcontractor has been assigned primary responsibility for the work assignment and will provide the Project Manager for the WA, and (2) the prime Contractor explicitly agrees to the direct contact with the subcontractor.

In such cases, the contact should be only with the designated subcontractor Project Manager. Even with such designation and permission of the prime Contractor, all technical direction must be given promptly in writing to the prime. Also, the prime Contractor must remain responsible for subcontractor performance.<sup>1</sup>

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<sup>1</sup> The issue of Government contact with subcontractors is controversial and is currently being addressed by the Office of Acquisition Management. It is expected that further guidance will be forthcoming on this issue.

- Feedback on performance can be routed to the subcontractor Project Manager on work assignments performed primarily by the subcontractor. However, the prime contractor should be informed immediately if any problems or issues arise with the subcontractor's performance.

## **2. Dealing with Disputes Between Prime Contractors and Subcontractors**

Prime Contractors and subcontractors occasionally have disputes on work items such as:

- Subcontractors receiving a lower amount of the work than they expected or was indicated in the proposal.
- Subcontractors not being paid promptly by the prime Contractor.
- Prime Contractors adding to the cost of a work assignment by applying more management time than desired by the subcontractors.
- Products prepared by the subcontractor being delayed because of extensive review time by the prime Contractor.

What can or should the WAM and Project Officer do about these things? Because EPA has no privity of contract with a subcontractor, it **cannot** mediate such disputes. However, WAMs and Project Officers **can** and **should** do the following:

- WAMs should review the management hours being applied by a prime Contractor to a work assignment performed primarily by a subcontractor. While it is difficult to provide a rule of thumb, the WAM should assess the reasonableness of the management hours in terms of their specific purpose, e.g., administrative processing of vouchers and work plans, substantive review of products, etc.
- WAMs should review the causes of delays in products with the prime Contractor. If delays are due to the time needed by the prime Contractor for review, the WAM should discuss how to accelerate this process in order to meet EPA's needs.
- WAMs and Project Officers should examine how the prime Contractor is staffing the work assignments. If key personnel of the subcontractor are not being used, this should be flagged as unacceptable. If the prime Contractor is employing its own staff in place of a subcontractor on work expected to be done by the sub, the WAM and Project Officer can emphasize the importance to the prime of providing personnel with the required qualifications to accomplish the work. While EPA cannot direct the prime Contractor who to use on a particular project, it can insist upon reviewing the qualifications of personnel proposed for the work.
- If a subcontractor presents a problem directly to EPA, the WAM or Project Officer should inform the subcontractor that it cannot mediate the problem and should encourage the subcontractor to seek a solution with the prime. However, the WAM and Project Officer can also raise the issue with the prime, without directing the prime to a solution and suggesting that the two parties meet to resolve their differences.

- Where initial contacts with the prime Contractor do not resolve a performance problem caused by a dispute between the prime and the subcontractor, the Project Officer should contact the Contracting Officer for assistance.
- Where performance problems persist, the WAM or PO should document the issues as a means of holding the prime Contractor accountable. This should include the dates, persons involved and substance of communications with the prime.

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## **J. MONITORING QUALITY ASSURANCE COMPLIANCE**

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As discussed in Module 4, in preparing SOWs for work assignments involving environmental data collection, the WAM, in coordination with the QA Manager of the laboratory, center or, in some cases, division, should identify Data Quality Objectives (DQOs), QA progress reports and other documentation to ensure that the Contractor meets these standards.

Once the work assignment is underway, the process for performing technical monitoring for QA activities is similar to that for other Contractor efforts. The WAM:

- Monitors Contractor performance
- Reviews progress reports
- Reviews deliverables
- Identifies and implements necessary corrective actions
- Provides technical direction.

### **1. Monitoring Performance on QA Requirements**

Monitoring QA compliance requires that the WAM be thoroughly familiar with the requirements in the statement of work and that the WAM perform or direct the conduct of **technical assessments** of the Contractor's QA activities. The SOW should specify the types of technical assessments that will be used to monitor Contractor performance. Technical assessments may include one or more of the following:

- **Pre-measurement or pre-analysis Audit** - submission by the Contractor of field personnel certifications for performing the measurements required in the work assignment; conducted before the Contractor can receive production samples for actual analysis; an alternative method would be a performance evaluation (see below).
- **Surveillance** - continual or frequent monitoring and verification of the status of an entity and the analysis of records to ensure that specified requirements are being fulfilled.
- **Performance Evaluation (PE)** - a type of audit in which the quantitative data generated in a measurement system are obtained independently and compared with routinely obtained data to evaluate the proficiency of an analyst or laboratory.

- **Data Quality Audit** - a systematic quantitative examination to determine if measurement systems produced the expected data correctly and if prescribed quality control functions were performed properly.
- **Data Quality Assessment** - a statistical and scientific evaluation of the data set to determine the validity and performance of the data collection design and statistical test; also determines the adequacy of the data set for the intended use.
- **Technical Systems Audit (TSA)** - a thorough, systematic on-site qualitative examination of the Contractor's facilities, equipment, personnel, training, procedures, record-keeping, data validation, data management, and reporting aspects of a system.

If the laboratory or center uses **another Contractor** to perform any of the monitoring processes described above, he/she needs to consider the potential contracting improprieties and vulnerabilities, specifically organizational conflict of interest and performance of inherently governmental functions. Contractors may be used to perform technical assessments according to a specific plan approved by an EPA official (e.g., WAM or QA Manager). Contractor personnel may be accompanied by an EPA official (as long as EPA does not direct the Contractor in the work), but this is not required. The external QA Contractor can summarize the results of the assessment, but an EPA official must make the actual determination concerning the need for corrective action.

## 2. Reviewing QA Progress Reports

QA progress reports can be included in the Contractor's regular monthly technical/financial progress report, or they can be submitted separately. How they are submitted depends on what the WAM specified in the SOW. Quality assurance reports can include summaries of implementation audits, QC data, formats for databases, and methods for flagging questionable data.

As indicated earlier, the contract specifies the format of progress reports for work assignments. The WAM may discover that the specified reports are not adequate for addressing QA issues. If possible, the need for additional reports should be identified at the work assignment planning stage and documented in the SOW. Realistically, this cannot always be done. If the need for additional reports or reports in a different format is identified, the WAM should coordinate with the Project Officer to determine if this need can be provided through technical direction or if an amendment is required.

A valuable type of additional QA report is the Quality Control Evaluation Report (QCER). The WAM can request, in the SOW, both interim and final QCERs. Interim QCERs inform the W of QA activities carried out by the Contractor, QA/QC results, and any quality-related problems encountered or corrective actions taken during the period covered by the report. Final QCERs contain the QA/QC documentation that defends the quality of the final product. The final QCER is an essential deliverable. The requirement for interim QCERs is at the discretion of the WAM and the QA Manager.

### **3. Reviewing QA Deliverables**

When reviewing deliverables, the WAM should ensure that the data conforms to the specifications set out in the SOW. If the SOW was not specific, then the WAM really has no realistic criteria for evaluation to which he or she can hold the Contractor. The final QCER summarizes the QA/QC activities performed to verify and defend the data reported. If the project objective is the development and testing of a model, method, and/or instrument, the final QCER will be a part of the final report. If the project involves the collection and/or analysis of environmental or source sample data, the final QCER will most likely be a separate document. It is a critical document because it is the only unified source documenting and verifying the quality of the data. The final QCER is part of the publication clearance package submitted to the laboratory, center or office Technical Information Manager with EPA Form 362.

A QCER should contain the following:

- Discussion of data quality in terms of such items as:
  - Quantitative data quality indicators, such as precision, bias, completeness, representativeness and comparability (e.g., of data sets from different producers)
  - Semiquantitative assessments of data quality
  - Statistical analyses to determine whether the quality of the data sets provided is adequate for their intended use
- Discussion of data verification and validation activities and results
- Limitations or constraints on the use of the data for the work assignment objectives, if any
- Discussion of internal and external audit recommendations and corrective actions taken
- Identification of any significant QA/QC problems encountered or precautionary measures determined
- Recommendations for the future including what information should be included as metadata to describe the data set.

### **4. Identifying and Implementing Corrective Actions**

Through monitoring and the review of progress reports and deliverables, the WAM identifies the need for corrective QA actions. Corrective action reports document the remedial actions identified by the WAM and the Contractor's response. They are part of the QA reporting requirements established in the SOW. The WAM should keep the QA Manager informed when corrective actions are needed.

## **5. Providing Technical Direction on QA Issues**

Requests for corrective action should be documented in writing as any other technical direction would be. If the corrective action constitutes change of scope of the work assignment, the WAM should coordinate with the Project Officer for an amendment to the work assignment.

The central concern for the WAM in monitoring the QA compliance during the performance of a work assignment should be that the quality of the data in the final product can be appropriately verified and documented. The quality of that data is important not only to the WAM but also to the WAM's branch chief or other supervisor. The supervisor's performance agreement commits him or her to ensuring product quality. Also, the quality of the data provides the foundation in support of Agency decision-making.

## **EXERCISE - TECHNICAL MONITORING**

- 1 You are the WAM on a work assignment involving the development of sampling plans, assessment methods, QA manuals and implementation plans for an EMAP demonstration project. The great majority of the work is being done by one of three subcontractors under the prime contractor. The first two deliverables on this six month work assignment - a detailed work plan and a draft sampling plan have each been two weeks late and have required substantial revisions. Of the four subcontractor staff working on the project, you are dissatisfied with the performance of the project leader and one of the other staff. You do not feel that project leader has the technical knowledge required for the task; your concern on the other staff member is that she is abusive and has alienated certain EPA personnel. It is now the beginning of the third month of the project. You are concerned about the quality of the other deliverables and also the budget, although the technical/financial progress reports indicate no problems. What actions should you take?

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## **MODULE 8: PERFORMING FINANCIAL MONITORING**

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### **A. INTRODUCTION**

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This Module describes procedures for monitoring the financial performance of the Contractor. Procedures for reviewing Contractor invoices and the financial portion of Contractor progress reports are reviewed. Methods to identify financial problems and to select and implement corrective actions are discussed.

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### **B. OBJECTIVES**

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At the completion of this Module, you will be able to:

- Describe issues and methods for reviewing Contractor invoices.
- Describe issues and methods for reviewing the financial portion of Contractor progress reports.
- Review a Contractor financial report to flag questionable charges and analyze work assignment costs.
- Identify and describe key issues pertaining to limitations of funds and costs.
- Describe issues and procedures pertaining to the handling of multiple appropriations and intra-agency funding.
- Identify and describe financial problems often encountered on a work assignment and potential corrective actions.
- Describe general considerations and procedures for forecasting carryover funds.
- Identify contracting improprieties and vulnerabilities related to financial monitoring.

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## **C. IMPORTANCE OF EFFECTIVE FINANCIAL MONITORING**

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Effective financial monitoring is important for several reasons:

- It helps ensure that the Government payments to Contractors are appropriate in terms of the work performed and effort expended.
- It helps ensure that sufficient funds are available to complete the required work.
- It helps maintain the integrity of the process for appropriating funds for various programmatic purposes.

**Financial monitoring and technical monitoring, covered in the previous module, go hand-in-hand** That is, invoices and other financial reports must be reviewed in terms of the work performed in order to properly assess the reasonableness of the charges billed, project the total costs on the work assignment, determine needs for additional funds and identify problem areas. Some Work Assignment Managers may feel that financial monitoring is "not their responsibility" or is, at best, a minor duty. The reasons often given are:

- "That's the Project Officer's job."
- "I don't have access to the Contractor's rates or other financial information."
- "The Contractor will get paid anyway for his costs. What's the sense of monitoring and analyzing his charges?"

In fact, for some contracts, the Project Officer may assume the complete responsibility for reviewing invoices. One reason for this may be the desire to comply with the time requirements of the Prompt Payment Act. However, for contracts with large numbers of work assignments, this is not practical; the Project Officer may not be sufficiently familiar with the technical content of each work assignment to properly assess the reasonableness of the charges billed or the forecast of expenditures. Some large contracts can have more than 50 work assignments in a given year; if only the Project Officer monitors the financial aspects of these work assignments, this review would, at best, be cursory.

Regarding access to Contractor financial information, the Contractor's cost proposal and best and final offer are not routinely distributed to WAMs. However, the WAM can request selected information from the Project Officer, as necessary. Contractor loaded costs per hour actually incurred, as well as actual labor rates and burden rates (*i.e.*, overhead, G&A) can then be compared against the proposal. Note that since this information is CBI, the PO and WAM must ensure that the information is safeguarded.

On a cost-reimbursable, level-of-effort contract, the Contractor does get paid for "best-efforts" and for charges that are "reasonable, allocable, and allowable." However, effective financial monitoring can help identify charges that are inappropriate (*e.g.*, not

reasonable or allocable), and can help ensure that the Government receives value for its money. Financial monitoring can thus help address such questions as:

- Whether Contractor project management personnel are being charged to one work assignment, when, in fact, their time should be distributed among several work assignments.
- Whether the Contractor is billing for activities which require pre-approval, such as training, certain travel costs, and consultants.
- Whether additional funds may be needed to complete the work assignment, especially in situations where, for example, 70 percent of the funds have been expended while only 30 percent of the work has been performed.
- Whether the Government is being billed at an off-site overhead rate for work that is being performed on-site.
- Whether the actual cost to the Government as reflected in the actual average loaded hourly rate is consistent with the Contractor's cost proposal for the contract and the work plan.

The division of responsibilities between the WAM and the Project Officer in reviewing invoices and other financial monitoring tasks may vary by laboratory, center and office. Most of the above examples would typically require the input of both the WAM and the Project Officer. The absence of WAM involvement in invoice review in some laboratories was cited as a vulnerability in several OIG reviews and in the Acquisition Management Improvement Reviews. Clearly the WAM has a major responsibility in financial monitoring. Also, Chapter 6 (recently revised) of the Contracts Management Manual emphasizes the important role of WAMs in invoice review.

(Note: The standard Contractor data requirements for invoices and monthly financial progress reports, presented in the next two sections, have recently been revised by OAM. The new standard EPAAR clauses require additional detail in both the invoice and the progress report. The new clauses are being implemented in new contracts and in modifications to certain existing contracts. WAMs and POs should check with their COs to determine the particular requirements for their contracts )

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## **D. REVIEWING CONTRACTOR INVOICES**

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### **1. Distribution of Invoices for Review**

An invoice is the Contractor's bill or written request for payment for costs and services performed. On cost-reimbursement and time-and-materials contracts, invoices are called "requests for financing payments". An invoice payment is a Government disbursement of monies to a Contractor under a contract or other authorization for costs or services accepted by the Government. On cost-reimbursement and time-and-materials contracts, these are called "provisional payments". The Government is obligated to make payment to the Contractor for services rendered within 30 days of receiving the invoice (Prompt Payment Act).<sup>1</sup> **Reviewing invoices and recommending approval or disapproval of payment is an important responsibility of the Work Assignment Manager.**

Contractors submit monthly invoices on forms SF 1034 and SF 1035 - "Public Voucher for Purchases and Services other than Personal," and "Public Voucher, Continuation Sheet." The invoices are sent by the Contractor directly to the Financial Management Center - Research Triangle Park (FMC-RTP). Most EPA contracts require the Contractor to submit a copy of the invoice at the same time to the Project Officer and the Contracting Officer.

FMC-RTP forwards a copy of the invoice, together with the Project Officer Approval Form (EPA Form 2550-19T) to the Project Officer for review and recommended action. Project Officer response is required within 15 calendar days of the date the invoice is mailed from FMC-RTP.

The Project Officer distributes a copy of the invoice and monthly progress report (the portion pertaining to the work assignment), along with an internal invoice approval form. The WAM then reviews the invoice and progress report to determine if the payment request is commensurate with the services performed or products delivered by the Contractor. Although the time varies by lab/center/office, the WAM is typically given five days to review, recommend approval or disapproval of payment, and return the invoice approval form to the Project Officer.

In some cases, Contractors offer discounts if invoices are paid within a certain time period, e.g., 20 days. The PO and WAM should be aware of such case, as an opportunity for savings on the contract.

### **2. WAM Procedures in Reviewing Invoices**

In accordance with the revised EPAAR 1552.232-70, EPA cost-reimbursement contracts require Contractor invoices to include current and cumulative charges by major cost element for the **overall contract**. Major cost elements include such items as direct labor, overhead, travel, equipment and other direct costs. Also, the invoice is to include a summary of current and cumulative charges by cost element for each work assignment and the overall contract.

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<sup>1</sup> Note that interest penalties under the Prompt Payment Act do not apply to provisional payments; nevertheless, the Act requires the Agency to pay all invoices within 30 days.

Charges for each subcontractor and consultant are to be detailed in a supporting schedule, indicating charges by major cost element.

If the costs in the financial progress report (discussed in Section E) differ from the amounts in the invoice, the Contractor must provide a reconciliation with the invoice.

In addition, for current costs, the Contractor is required to provide a breakdown of the individual cost elements for the overall contract. This includes supporting schedules for such elements as direct labor (hours, average hourly rate and labor costs by labor category), long distance travel (number of travelers by trip, duration, origin and destination, transportation unit price, per diem, and total dollars billed), and other cost elements.

Also, depending on the invoice preparation instructions in the contract, the above cost breakdown would typically be required by **individual work assignment**. Note that a list of labor hours by staff member is not required in the invoice. Also, the previous EPAAR clause did not call for the level of detail indicated above, either at the contract level or work assignment level. Certain contracts, until modified, may be operating under the more general requirements.

Exhibit 8-1 provides an example of a contract level invoice (without all the supporting schedules) based on the new EPAAR clause, on a cost reimbursement LOE contract. Exhibit 8-2 shows a work assignment level invoice.

**Proper review of the invoice requires that the WAM confirm that:**

- The invoice cites the correct contract and work assignment numbers and period of performance
- Labor hours - total and by staff category - are reasonable
- Travel costs are valid and reasonable
- Other direct costs (other than travel) are valid and reasonable
- The invoice does not include billing for items already included in a prior invoice
- The invoice does not include unauthorized items, such as training or travel costs which have not been pre-approved
- Labor hours and total costs match those reported in the work assignment monthly financial progress report submitted for the period
- Labor hours and total costs to date do not exceed the authorized amount for the work assignment (the authorized amount is that contained in the approved work plan)
- If funding is allocated by work assignment, total costs to date do not exceed the funding ceiling.<sup>2</sup>

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<sup>2</sup> As an additional management control, CMD-Cincinnati, on some contracts, establishes a funding ceiling for individual work assignments. This represents the funding provided for (allocated to) the work assignment to date. This essentially applies the limitation of funds principle to the work assignment level. The funding ceiling may be less than the amount in the approved work plan.

**Exhibit 8-1  
SAMPLE INVOICE - CONTRACT LEVEL**

Standard Form 1034 Revised January 1980 Department of the Treasury TFRM 4 2000	<b>PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL</b>	VOUCHER NO <div style="text-align: center; font-size: 1.2em;">9</div>
U.S. DEPARTMENT BUREAU OR ESTABLISHMENT AND LOCATION Environmental Protection Agency Financial Management Center - RTP (MD-32) Research Triangle Park, NC 27711	DATE VOUCHER PREPARED <div style="text-align: center;">July 9, 1996</div>	SCHEDULE NO  
	CONTRACT NUMBER AND DATE <div style="text-align: center;">68-D3-0642      09/25/93</div>	PAID BY  
	REQUISITION NUMBER AND DATE  	

PAYEE'S NAME AND ADDRESS      ABC Company  
 6846 Old Dominion Drive  
 McLean, VA 22102

DATE INVOICE RECEIVED

DISCOUNT TERMS

PAYEE'S ACCOUNT NUMBER

SHIPPED FROM      TO      WEIGHT      GOVERNMENT B/L NUMBER

NUMBER AND DATE OF ORDER	DATE OF DELIVERY OR SERVICE	ARTICLES OR SERVICES <small>(Enter description, item number of contract or Federal supply schedule and other information deemed necessary)</small>	QUANTITY	UNIT PRICE		AMOUNT <span style="float: right;">(1)</span>
				COST	PER	
	June 1 - 30 1996	For detail, see attached substitute SF 1035 - Total amount transferred  COST REIMBURSABLE PROVISIONAL PAYMENT				\$101,418.37

I certify that all payments requested are for appropriate purposes and in accordance with the agreements set forth in the contract.

G. Fox, President

Use continuation sheet(s) if necessary

(Payee must NOT use the space below)

TOTAL

PAYMENT	APPROVED FOR	EXCHANGE RATE	DIFFERENCES
<input type="checkbox"/> PROVISIONAL <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL <input type="checkbox"/> PROGRESS <input type="checkbox"/> ADVANCE	BY <u>2</u>  TITLE _____	= \$ _____ = \$1.00	_____ _____ Amount verified correct for _____ (Signature or initials)

Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.

Date

(Authorized Certifying Officer)

(Title)

ACCOUNTING CLASSIFICATION

CHECK NUMBER

ON ACCOUNT OF U.S. TREASURY CHECK NUMBER

ON (Name of bank)

DATE

DATE

PAYEE

PER

TITLE

When signing, include the name of the person signing.

If the duties of certifying and approving are combined in one person, one signature only is necessary.

Thereafter, the approving officer will sign in the space provided over his official title.

If the person certifying is a representative of a company or corporation, the name of the person writing the company.

Corporate name, as well as the capacity in which he signs, must appear. For example: John Doe Company, per

John Smith, Secretary or Treasurer, as the case may be.

**Exhibit 8-1 (continued)**

Substitute Form 1035

Voucher No. 9  
Sheet 1 of 2  
Billing Period: June 96  
Date Submitted: July 9, 1996

To: U.S. Environmental Protection Agency  
Research Triangle Park, NC 27711

ABC Company	Contract 68-D3-0642	Est. Cost	\$851,015.00
6846 Old Dominion Drive	Dated 9/25/93	Base Fee	<u>62,124.00</u>
McLean, VA 22102		Total	\$913,139.00

**Summary of Claimed Current and Cumulative  
Cost and Fee**

<u>Item</u>	<u>Major Cost Elements</u>	<u>Current</u>	<u>Cumulative</u>
1	Direct Labor	\$ 34,957.50	\$183,335.56
2	Fringe Benefits @ .30 of Item 1	<u>10,487.25</u>	<u>55,000.67</u>
3	Subtotal	45,444.75	238,336.23
4	Overhead @ .40 of Item 3	18,177.90	95,334.49
5	Other Direct Costs		
6	Subcontracts	12,435.59	67,671.92
7	Consultants	4,800.00	28,880.00
8	Travel	1,642.57	4,106.45
9	Equipment	0	0
10	Other	<u>2,814.70</u>	<u>13,974.43</u>
11	Subtotal	85,315.51	448,303.52
12	G&A @ .12 of Item 11	<u>10,237.86</u>	<u>53,796.42</u>
13	Total Cost	95,553.37	502,099.94
14	Fee at \$4.25/LOE Hr.	<u>5,865.00</u>	<u>31,322.50</u>
	Total Amount	\$101,418.37	\$533,422.44
	LOE Hours	1,380 hrs.	7,370 hrs.

Exhibit 8-1 (continued)

SUMMARY OF CONTRACT COSTS BY WORK ASSIGNMENT

<u>Major Cost Element</u>	<u>96-1</u>	<u>96-2</u>	<u>96-3</u>	<u>96-4</u>	<u>96-5</u>	<u>96-6</u>	<u>96-7</u>	<u>96-8</u>	<u>Total</u>
Direct Labor	\$ 5,119.50	\$ 2,854.00	\$ 7,918.00	\$ 494.00	\$ 2,900.00	\$ 4,978.00	\$ 7,760.00	\$ 2,934.00	\$ 34,957.50
Fringe Benefits at .3	<u>1,535.85</u>	<u>856.20</u>	<u>2,375.40</u>	<u>148.20</u>	<u>870.00</u>	<u>1,493.40</u>	<u>2,328.00</u>	<u>880.20</u>	<u>10,487.25</u>
Subtotal	6,655.35	3,710.20	10,293.40	642.20	3,770.00	6,471.40	10,088.00	3,814.20	45,444.75
Overhead at .40	2,662.14	1,484.08	4,117.36	256.58	1,508.00	2,588.56	4,035.20	1,525.68	18,177.90
Other Direct Costs									
Subcontracts	0	0	0	12,435.59	0	0	0	0	12,435.59
Consultants	0	0	0	0	0	0	4,800.00	0	4,800.00
L.D. Travel	0	0	0	0	0	1,642.57	0	0	1,642.57
Equipment	0	0	0	0	0	0	0	0	0
Other	<u>400.81</u>	<u>249.47</u>	<u>520.10</u>	<u>24.85</u>	<u>187.83</u>	<u>500.888</u>	<u>616.75</u>	<u>314.01</u>	<u>2,814.70</u>
Subtotal	9,718.30	5,443.75	14,930.86	13,359.52	5,465.83	11,203.41	19,539.95	5,653.89	85,315.51
G&A at .12	<u>1,166.20</u>	<u>653.25</u>	<u>1,791.70</u>	<u>1,603.14</u>	<u>655.90</u>	<u>1,344.41</u>	<u>2,344.79</u>	<u>678.47</u>	<u>10,237.86</u>
Total Cost	10,884.50	6,097.00	16,722.56	14,962.66	6,121.73	12,547.82	21,884.74	6,332.36	95,553.37
Fee at 4.25/LOE Hr.	<u>807.50</u>	<u>425.00</u>	<u>1,054.00</u>	<u>739.50</u>	<u>433.50</u>	<u>663.00</u>	<u>1,292.00</u>	<u>450.50</u>	<u>5,865.00</u>
Total Amount (Current)	\$11,692.00	\$6,522.00	\$17,776.56	\$15,702.16	\$6,555.23	\$13,210.82	\$23,176.74	\$6,782.86	\$101,418.37
Cumulative	\$98,278.89	\$49,762.96	\$81,295.30	\$111,326.49	\$34,458.55	\$56,679.81	\$85,217.84	\$16,402.60	\$533,422.44

**Exhibit 8-1 (continued)**

**Subcontractor: DEF**

Voucher No. 9

Billing Period: June 96

Date Submitted: July 9, 1996

<u>Item</u>	<u>Cost Category</u>	<u>Current</u>	<u>Cumulative</u>
1	Direct Labor	\$ 6,037.00	\$ 33,014.44
2	Overhead at .89 of Item 1	<u>5,372.93</u>	<u>29,382.85</u>
3	Subtotal	11,409.93	62,397.29
4	Other Direct Costs		
5	Travel	0	0
6	Other	<u>104.51</u>	<u>261.90</u>
7	Subtotal	11,514.44	62,659.19
8	Fee at .08 of Item 7	<u>921.15</u>	<u>5,012.73</u>
9	Total	\$ 12,435.59	\$ 67,671.92

Exhibit 8-2

SAMPLE INVOICE - WORK ASSIGNMENT LEVEL

Billing Period: June 96

CONTRACT NO. 68-D3-0642 -  
SUPPORTING SCHEDULE FOR WA NO. 96-3

<u>Item</u>	<u>Cost Elements</u>	<u>Hours</u>	<u>Ave. Rate (Current)</u>	<u>Current Amount</u>	<u>Cumulative Amount</u>
	Direct Labor				
	P-4	48	\$45.00	\$ 2,160.00	\$ 8,800.00
	P-3	192	27.50	5,280.00	25,326.00
	P-2	8	18.50	148.00	608.00
	Clerical	<u>20</u>	16.50	<u>330.00</u>	<u>1,430.00</u>
1	Total DL	268		7,918.00	36,164.00
2	Fringe Benefits @ .3 of Item 1			<u>2,375.40</u>	<u>10,849.20</u>
3	Subtotal			10,293.40	47,013.20
4	Overhead @ .4 of Item 3			4,117.36	18,805.78
5	Other Direct Costs				
	Subcontracts			0	0
	Consultants			0	0
	L.D. Travel			0	0
	Equipment			0	0
	Other				
	Computer Time			187.00	654.50
	Local Travel			56.75	283.75
	Postage/Shipping			107.60	484.20
	Reproduction			110.47	441.88
	Telephone/Fax			58.28	290.40
	Miscellaneous			0	171.65
6	Subtotal			14,930.86	68,145.36
7	G&A @ .12 of Item 6			<u>1,791.70</u>	<u>8,177.44</u>
8	Total Costs			16,722.56	76,322.80
9	Fee at \$4.25/LOE Hr			<u>1,054.00</u>	<u>4,972.50</u>
10	Total Amount			\$17,776.56	\$81,295.30
	LOE Hours			248	1,170

- If subcontractor or consultant costs are claimed, subcontractors and consultants have received approvals by the Contracting Officer
- Estimate is provided of costs incurred but unbilled (e.g., subcontractor costs for the prior month are not in the current invoice because of the delay in billing)

Exhibit 8-3 presents a checklist that the WAM can use in reviewing Contractor invoices. **WAMs are required to document their invoice review and are strongly encouraged to use this type of instrument to provide such documentation.**

The WAM should review the invoice in conjunction with the monthly progress report (technical and financial portions) to assess the reasonableness of the charges. Section E of this module describes the monthly financial progress report.

Once the WAM has reviewed the invoice, he/she should complete the internal invoice approval form used by the laboratory/center/office and forward the form to the Project Officer. Exhibit 8-4 provides an example of an invoice approval form.

### **3. Completion of Invoice Review**

Based on the input of the WAMs, the Project Officer completes the Project Officer Approval Form, indicating approval or disapproval, and any amounts suspended for the invoice for the overall contract. Prior to suspending any charges, the PO follows up with the Contractor to clarify any questions. The PO may request that the WAMs assist in obtaining such clarification. Any items subject to dispute such as excessive or unnecessary charges must be discussed with the Contracting Officer prior to suspension.

For suspended charges, the PO completes EPA Form 2900-68, "Notice of Contract Costs Suspende and/or Disallowed", and sends a copy to the Contractor, the CO, FMC-RTP and the EPA Cost Advisory Office. The Contractor has 60 days to respond to the suspension. If the Contractor does not respond in this time period, the suspended costs will be disallowed by the CO.

Additional detail on the invoice review process is presented in the EPA Invoice Review Guide, developed by OAM.

### **4. Policies on Printing and Travel Discounts**

In reviewing invoices, Work Assignment Managers should be aware of restrictions on printing as well as opportunities to save money through Contractor travel discounts.

#### **(1) Printing Restrictions**

Unless otherwise specified in the contract, Contractors may not engage in, nor subcontract for, any printing in connection with the performance of work under an EPA contract. The term "printing" includes: composition, plate making, presswork, binding, microform publishing, or the end items produced by such processes. However, desktop publishing is not considered printing unless the output is sent to a typesetting device. All printing must be obtained through an EPA printing plant or another printing plant under contract with the Government Printing Office (GPO). WAMs should coordinate with the print shop before submitting documents to allow sufficient time for completion.

### Exhibit 8-3

## CHECKLIST FOR REVIEWING INVOICES

### **General**

1. Contract number is valid ( )
  2. WA number is correct ( )
  3. Computations are correct ( )
- 

### **Labor/Total Costs**

1. Labor hours match the financial progress report ( )
  2. Total labor hours are reasonable for the work performed ( )
  3. Labor hours by staff category (P-level) are reasonable ( )
  4. Total costs are reasonable ( )
  5. Total cumulative labor hours and costs are within the ceiling for the WA ( )
  6. Remaining labor hours and dollars are sufficient to complete the WA ( )
  7. Total costs (current and cumulative) match the financial progress report ( )
- 

### **Travel and Training**

1. Travel costs are valid and reasonable ( )
  2. If required, travel was pre-approved by the PO ( )
  3. Training costs are valid and reasonable ( )
  4. If required, training was pre-approved by the PO ( )
- 

### **Other Direct Costs**

1. Copying charges are valid and reasonable with magnitude of deliverables ( )
  2. Other direct costs are itemized and reasonable ( )
  3. Purchase of any equipment has received CO approval ( )
- 

### **Subcontractor and Consultant Costs**

1. Subcontractors and consultants have received CO approval ( )
2. If subcontract is cost-reimbursement, prime Contractor has provided breakdown of subcontractor charges ( )
3. Subcontractor costs are reasonable ( )
4. If subcontractor costs are lagging, estimate is provided ( )

**Exhibit 8-4**

**SAMPLE INVOICE APPROVAL FORM**

**INVOICE APPROVAL FORM**

**SUBJECT:** Invoice #6 Work Assignment #96-5

**TO:** M. Taylor  
(Work Assignment Manager) Contract # 68-D3-0642

**FROM:** P. Jones  
Project Officer (8205)

**DATE:** August 10, 1996

Enclosed is a copy of an invoice for services performed under your work assignment for Contract No. 68-D3-0642. The WAM Invoice Review Checklist is attached.

I need your recommendation for approval/exception within five calendar days of the above date in order to approve the invoice for payment and comply with the Prompt Payment Act. Please indicate your recommended approval or exception and forward the form to me along with the completed Invoice Review Checklist.

Should you have any questions, please contact me at (202) 260-8999.

-----

**Work Assignment Manager Approval**

Charges reflected in this invoice are appropriate for payment and are mathematically correct.

(✓) one:

Approved \_\_\_\_\_

Exception \_\_\_\_\_

Item and Amount \_\_\_\_\_

Reason for Exception \_\_\_\_\_

\_\_\_\_\_

**Signed:** \_\_\_\_\_

**Date:** \_\_\_\_\_

Note that the printing restriction applies to **newsletter** production. In fact, Contracting Officers must reject any work assignment that calls for newsletter production. EPA's Headquarters Printing Management Section has a contract with the GPO for the printing of all EPA newsletters.

EPA contractors may provide "duplication services," but only within specified limits. Duplication is the making of photocopies, i.e., "xeroxing." EPA contractors may duplicate less than 5,000 units of one page, or less than 25,000 units in the aggregate of multiple pages for any **individual requirement**. An individual requirement is considered to be a deliverable, **not** the entire work assignment. If performance of the contract will require reproduction in excess of these limits, the laboratory, center or office should make arrangements with the printing plant for the performance of the duplication services. In unusual circumstances, the Contracting Officer may seek a waiver from the Joint Commission on Printing (JCP) for performance of such services by a Contractor.

## **(2) Contractor Travel Discounts**

To enable the Contractor to qualify for a Government travel discount, the WAM should draft an authorization letter on Agency letterhead for signature by the Contracting Officer. The authorization letter should indicate the contract number, work assignment number, Contractor, names of employees who will be traveling, and the specific period of the travel. The WAM should also prepare a memorandum requesting the authorization. After review by the Project Officer, the authorization letter and memorandum should be sent to the Contracting Officer for review and signature. Exhibit 8-5 presents a sample authorization letter.

The *Federal Travel Directory* (FTD) lists vendors who offer Government discounts to Contractors. However, Contractors should understand that vendors are **not required** to provide the discount.

**Exhibit 8-5**

**SAMPLE LETTER FOR AUTHORIZATION OF GOVERNMENT  
TRAVEL DISCOUNT**

**(Must be on Agency letterhead)**

**To Whom It May Concern:**

Please be advised that ABC Company is currently performing Government contract number 68-D3-0642 for the Environmental Protection Agency. In order for the contractor to successfully perform this contract, a certain amount of essential travel has been authorized under Work Assignment No. 96-4.

Under the terms of this Government contract, the amount of travel costs for reimbursement to the contractor is limited to the maximum ceilings specified by the Government Joint Travel Regulations (same amounts as if a Government employee were traveling).

Therefore it is requested that during a travel period of April 1, 1996 to June 1, 1996 the following Contractor employees receive the Government discount rates:

R. Simpson  
M. Miller  
H. Johnson

The above named firm is directly responsible for prompt payment of all travel costs incurred by these employees, and after such payment is made, it will seek reimbursement from the Government in accordance with the terms of the contract.

Thank you in advance for your cooperation in assisting this Contractor to reduce the contract travel costs.

Sincerely yours,

H. A. Trent  
Contracting Officer

cc: P. Jones, EPA Project Officer (8205)

# EXHIBIT 8-5

## EXAMPLE OF MONTHLY CONTRACTOR FINANCIAL PROGRESS REPORT

ABC Company  
EPA Contract No. 68-D1-0642  
Monthly Financial Report  
Month of June, 1995

WP BUDGET				CURRENT BILLINGS		CUMULATIVE BILLINGS				NEXT MONTH PROJ.		ESTIMATE AT COMPLETION		PERIOD OF PERFORMANCE
WA/Chng.	Tech. Hours	Cost	Cost/Hour	Tech. Hours	Cost	Tech. Hours	Cost	Cum Cost/hour	% of Budget	Tech. Hours	Cost	Tech. Hours	Cost	
95-1/1	2,450	125,979	51.42	168	10,080	1,741	92,625	53.20	73.5	209	11,118	2,368	125,979	10/01/94 - 09/30/95
95-2/0	1,584	104,813	66.17	216	14,046	1,428	93,048	65.16	88.8	180	11,765	1,608	104,813	10/01/94 - 06/30/95
95-3/0	3,020	161,872	53.60	248	13,896	2,144	122,658	57.21	75.8	228	13,071	2,829	161,872	10/01/94 - 09/30/95
95-4/0	928	56,673	61.07	124	8,104	784	51,760	66.02	91.3	0	0	784	51,760	01/15/94 - 07/31/95
95-5/0	448	30,742	68.62	136	9,550	456	31,970	70.11	104.0	0	0	456	31,970	02/01/94 - 09/30/95
95-6/2	824	47,990	58.24	178	11,025	468	28,108	60.06	58.6	113	6,627	799	47,990	02/15/94 - 09/30/95
95-7/0	1,008	61,559	61.07	192	12,652	496	32,185	64.89	52.3	151	9,791	949	61,559	04/01/94 - 09/30/95
95-8/0	497	32,365	65.12	96	6,558	146	9,981	68.36	30.8	110	7,461	473	32,365	04/18/94 - 09/30/95
Total	10,759	621,993	57.81	1,358	85,911	7,663	462,335	60.33	74.3	991	59,833	10,266	618,308	

NOTES: Subcontractor charges and some other ODCs lag by 1 month.  
Next month's projections include subcontractor charges and some ODCs for the current month.

Costs include base fee only

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## **E. REVIEWING FINANCIAL PROGRESS REPORTS**

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### **1. Contents of Standard Financial Report**

In accordance with the revised EPAAR 1552.210-72, EPA cost-reimbursement contracts require that Contractors submit a combined monthly technical/financial progress report to EPA by a certain date (e.g., 15th) of each month following the first complete calendar month of the contract. The technical content of the progress reports was discussed in Module 7. For term type (i.e., work assignment) contracts, the standard EPAAR clause requires the Contractor to provide the following financial information - for the overall contract and for each work assignment:

- For the current reporting period, the amount claimed
- For the cumulative period and cumulative contract life, the amount obligated (for overall contract) or amount in work plan (for individual WA), amount claimed, amount paid, amount suspended, amount disallowed, and remaining approved amount
- List of employees, their labor categories and hours worked for the current period
- For the current period, direct labor hours and costs expended, by labor category, for the prime contractor and each subcontractor and consultant
- For the cumulative contract period and cumulative contract life, the negotiated (amount in approved work plan), expended, and remaining direct labor hours and costs, by labor category, for the prime contractor and each subcontractor and consultant
- Estimated direct labor hours and costs to be expended during the next reporting period
- Estimated remaining direct labor hours and costs to complete the work assignment (for individual WA)
- Average cost of direct labor - the actual average cost of direct labor compared to the amount in the approved work plan (for individual WA), or all approved work plans (for overall contract)
- Estimate of unbilled (lagging) allowable costs for the current and cumulative periods

Also, for the overall contract, information is required on the amounts invoiced and remaining against any dollar ceilings, such as direct labor hours, total estimated cost, award fee pool, subcontracts, travel, program management and other direct costs.

An example of a financial progress report at the **work assignment level** is shown in Exhibit 8-6. The report is divided into three parts: Labor Distribution, Cost Summary, and Direct Labor Cost Breakdown.

## **2. Analyzing the Financial Report**

For the individual work assignment, the above financial information will usually be attached to the technical progress report. The PO receives the combined technical/financial progress report for the work assignment and distributes it to the WAM along with the WA level invoice. The financial report can be used in several ways:

- To assist in reviewing the invoice
- To assess whether the actual labor hours and costs incurred in the month are reasonable against the progress described in the technical progress report
- To determine whether the level of contractor staffing (as represented by the hours by labor category and the average cost/labor hour) is consistent with the estimate in the work plan
- To assess whether additional funds may be required to complete the work assignment based upon a comparison of cumulative cost and technical progress and the cost to complete.

**Therefore in examining the financial progress report, WAMs should consider the following.**

- Do the total costs and labor hours for the month match those reported in the invoice?
- Are the hours and costs for the period reasonable in comparison to the work performed?
- Is the level of contractor staffing (as reflected by the cumulative average direct labor or total cost/labor hour for the work assignment) consistent with the cost/hour contained in the work plan? If it is appreciably higher (e.g., 20 percent), this may suggest that the Contractor is using more senior staff than planned which might cause the work assignment budget to be exceeded. If the cost/hour is appreciably lower (e.g., 20 percent) this may suggest that the Contractor is using lower level staff than planned, which might lead to performance problems.
- Is the Contractor likely to need additional hours and funds based on (1) the comparison of cumulative hours and costs with the level of progress described in the technical report, and (2) the projected hours and cost to complete?

There is sometimes a lag in submission of the combined technical/financial progress report and the submission of the invoice. (Invoices may come in 5-10 days earlier.) Thus, it may be difficult to review the invoice and the financial report concurrently (and resolve questions), because of the pressures of the Prompt Payment Act. To

**Exhibit 8-6**

**SAMPLE MONTHLY FINANCIAL PROGRESS REPORT -  
WORK ASSIGNMENT LEVEL**

**Contractor:** ABC Company

**Contract No.:** 68-D3-0642

**Work Assignment No.:** 96-3

**Period of Report:** June 1-30, 1996

**Part 1: Labor Distribution**

<b><u>Employee</u></b>	<b><u>Company</u></b>	<b><u>Labor Category</u></b>	<b><u>Current Period Hours</u></b>
D. Price	ABC	P-4	48
B. Jones	ABC	P-3	168
P. Brown	ABC	P-3	24
T. Cate	ABC	P-2	8
S. Young	ABC	Clerical	20

Total LOE Hours - 248

Non LOE Hours - 20

**Exhibit 8-6 (continued)**

**SAMPLE MONTHLY FINANCIAL PROGRESS REPORT -  
WORK ASSIGNMENT LEVEL**

**Part 2: Cost Summary**

**Current Period:**

Amount Claimed: \$ 17,756.56

Incurred but Unbilled: 0

**Cumulative Contract Period:**

WP Amount: \$122,597.20

Amount Claimed: \$ 81,295.30

Amount Paid: \$ 53,646.18

Amount Suspended: 0

Amount Disallowed: 0

Amount Remaining: \$ 41,301.90

Incurred but Unbilled: 0

**Estimate for Next Period:**

LOE Hours: 320

Total Cost: \$ 23,040

**Estimate to Complete:**

LOE Hours: 526

Total Cost: \$ 41,302

**Exhibit 8-6 (continued)**

**SAMPLE MONTHLY FINANCIAL PROGRESS REPORT -  
WORK ASSIGNMENT LEVEL**

**Part 3: Direct Labor Cost Breakdown**

<u>Labor Category</u>	<u>Work Plan</u>		<u>Current</u>		<u>Cumulative</u>		<u>Remaining</u>	
	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>
<u>Prime</u>								
P-4	288	12,960	48	2,160	200	8,800	88	4,160
P-3	1,280	35,200	192	5,280	938	25,326	342	9,874
P-2	64	1,248	8	148	32	608	32	640
P-1	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal LOE	1,632	49,408	248	7,588	1,170	34,734	462	14,674
Clerical	<u>168</u>	<u>2,772</u>	<u>20</u>	<u>330</u>	<u>88</u>	<u>1,430</u>	<u>80</u>	<u>1,342</u>
Total Prime	1,800	52,180	268	7,918	1,258	36,164	542	16,016
<u>Subs/Consultants</u>								
DEF Co.	0	0	0	0	0	0	0	0
Consultant 1	<u>64</u>	<u>5,120</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>64</u>	<u>5,120</u>
Total DL	1,864	57,300	268	7,918	1,258	36,164	606	21,136
Less: Non LOE	<u>168</u>	<u>2,772</u>	<u>20</u>	<u>330</u>	<u>88</u>	<u>1,430</u>	<u>80</u>	<u>1,342</u>
Total LOE DL	1,696	54,528	248	7,588	1,170	34,734	526	10,804
Ave. DL Cost/Hour:	WP:		<u>\$32.15</u>					
	Cumulative:		<u>29.69</u>					
Ave. Total Cost/Hour:	WP:		<u>\$72.29</u>					
	Cumulative:		<u>69.48</u>					

get around this problem, Project Officers and WAMs can perform a relatively cursory review of the invoice to meet the time requirements, perform a more intensive review of Contractor charges later in the month, and then handle discrepancies through adjustments.

The above problem may be avoided in part if the WAM and Project Officer require that the technical/financial progress reports be submitted earlier (e.g., by the 10th working day of the month). Preferably, this should be specified in the contract at time of award, but it can be done through a contract modification. If there is still a lag in the receipt of the two documents, then approving the invoice as submitted, and adjusting the payment later based on further review, is an acceptable practice.

### **3. Requiring Additional Financial Reports**

The new contract clauses for the invoice and monthly progress report should meet the information requirements of POs and WAMs for effective Contractor monitoring. If further information is desired, the WAM and PO can request additional detail on the monthly progress report, or, as an alternative, additional reports. Such requirements can be implemented as a provision in the overall contract at contract award, or alternately, through a provision in the work assignment or a modification to the overall contract. **The WAM and PO must balance the benefit of the additional information with the Contractor cost in preparing the report and the time to review them.**

### **4. Summary of Contractor Financial Reporting**

Combined, the new expanded data requirements for the invoice and monthly financial progress report provide a substantial amount of detail to support effective financial monitoring. Exhibit 8-7 summarizes the key information provided in the two reports.

**Exhibit 8-7**

**KEY CONTRACTOR FINANCIAL REPORTING REQUIREMENTS  
TO SUPPORT EFFECTIVE FINANCIAL MONITORING**

	<b>Source</b>
1. Budget for each work assignment	B
<ul style="list-style-type: none"><li>• Labor hours by labor category</li><li>• Costs</li><li>• Costs/hour</li></ul>	
2. Current and cumulative costs by work assignment	B
<ul style="list-style-type: none"><li>• Labor hours by labor category</li><li>• Costs</li><li>• Costs/hour</li></ul>	
3. Projected cost for upcoming month by work assignment	B
<ul style="list-style-type: none"><li>• Labor hours</li><li>• Costs</li></ul>	
4. Estimated hours and total cost to complete by work assignment	B
5. Current and cumulative charges for each work assignment, by line item, <u>e.g.</u> , labor, overhead, other direct costs, G&A, fee. Similar information for each subcontractor.	A
6. Breakdown of other direct costs by work assignment, <u>e.g.</u> , travel, copying, telephone, equipment, training	A
7. Current period labor hours by labor category and by individual, by work assignment	A, B
8. Estimate of costs incurred but unbilled	B

**Source**

**A Invoice**

**B Standard Financial Progress Report**

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## **F. LIMITATIONS OF FUNDS AND COSTS**

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### **1. Basic Requirements**

EPA contracts have clauses on limitations of funds and costs. When contracts are funded incrementally, the Limitation of Funds clause applies. The Contractor is not authorized to incur expenditures which exceed the total funding in the contract, and must notify the Government when the cumulative costs within the next 60 days will exceed 75% of the amount of funding in the contract.

When the contract is fully funded (*i.e.*, to the ceiling in the contract) the Limitation of Cost clause applies. The Contractor is required to notify the Government whenever:

- Cumulative costs within the next 60 days will exceed 75% (or 80 percent in some contracts) the total estimated cost of the contract
- Total cost will be greater or substantially less than estimated cost.

The responsibility for monitoring the total costs on the **overall contract** rests with the Project Officer. The Project Officer monitors ceilings in both dollars and labor hours. To support the Project Officer in this function, WAMs need to continuously review the financial status of individual work assignments in order to determine whether **additional funds or labor hours** will be required to complete the work assignment. Notwithstanding the issue of the availability of funds, such additional requirements could cause the ceilings on the overall contract to be exceeded. Thus, detailed financial monitoring by the WAM is essential.

Similarly, EPA contracts typically have ceilings on the charges for individual subcontractors. The WAM needs to communicate needs for subcontractors on work assignments (as described in Contractor work plans) so that the Project Officer can monitor subcontractor ceilings.

Unlike delivery orders under time-and-materials contracts, work assignments under LOE contracts are not separately funded.<sup>2</sup> Nevertheless, as indicated earlier, a budget is established for each work assignment. The budget should be the cost estimate in the final approved work plan. To support effective financial monitoring, WAMs and Project Officers may require the Contractor to submit a letter notifying the Government when their cost exceeds a certain percentage (*e.g.*, 80 percent) of the total budgeted cost for the work assignment. This, in effect, applies the

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<sup>2</sup> As indicated earlier, CMD-Cincinnati, on some contracts, establishes funding ceilings for individual work assignments. While funds are still obligated to the overall contract, funding amounts are allocated to the individual work assignment.

limitation of cost principle to individual work assignments. Such notification will assist the WAM and Project Officer in identifying potential problems (e.g., need for additional funds) before the budget is completely expended.

The WAM and Project Officer can request such a notification under the Reports clause of the contract. This can be done through a requirement in the work assignment or a modification to the contract (covering all work assignments).

Regarding the Limitation of Funds clause, it is important for the WAM and Project Officer to realize that the Contractor can only get reimbursed for work up to the funds obligated in the contract. The WAM and the Project Officer must not encourage the Contractor to continue work beyond the authorized funding under the expectation that additional funding will be forthcoming.

Because the Limitation of Funds clause requires the Contractor to be prepared to wrap up work within the available funding, it is important to keep the contract comfortably funded and to avoid "just-in-time" funding. Ideally, there should be at least three months of funding in the contract at all times.

Note that through a deviation to the standard Work Assignment clause (EPAAR 1552.212-71) some EPA contracts may specify that the Contractor is not allowed to exceed the authorized **labor hours** (i.e., the total in the approved work plan) by any amount without written CO approval. This in effect represents a **limitation of hours** at the work assignment level. Also, the Contractor is required to notify the CO, PO and WAM in writing when 75 percent of the authorized hours of the work assignment have been expended, and at that point, the estimated hours to complete the work assignment. This is not a standard Agency requirement, but a control used by some COs on selected contracts. The WAM and PO should review the contract to determine if this requirement applies.

## **2. Special Concerns at Beginning of Option Years**

Some WAMs have raised the question of what they can tell the contractor regarding continuing work in a new option year while the work assignments and funding are still in process. The WAM may ask if it is acceptable to tell the Contractor to "work at your own risk; we expect that the money will be forthcoming."

Gaps in work performance may be avoided if WAMs and Project Officers prepare new work assignments well in advance (e.g., at least one month) of the beginning of the new fiscal year and ensure that the necessary funding is available. Timely preparations of a carryover forecast, discussed later in Section I, will support this. Nevertheless, there may still be short gaps.

The guidance from OAM is that **WAMs and Project Officers should always coordinate with the Contracting Officer** regarding what can be said to the Contractor regarding continuing work and who should tell them. If a WAM unilaterally tells the Contractor to continue at his own risk, this could be viewed as a commitment by the WAM. If the funding is not provided or the work assignment is not issued, the WAM may have personal liability for the costs incurred. Thus coordinating with the individual with contracting authority - the CO - is essential. If the Contractor inquires on the subject, the WAM or Project Officer should suggest that the Contractor call the CO.

### **3. Exercising of Quantity Options**

Many EPA contracts have both term options and quantity options. In a term option, the Government extends the contract period of performance. In a quantity option, the Government increases the estimated level-of-effort. Quantity options should never be exercised to simply raise the cost ceiling on a contract unless the additional hours are required. Occasionally, the cost ceiling may be reached while the total hours are under the LOE ceiling, if the Contractor's actual cost/hour is greater than planned. In such cases the Project Officer should discuss with the Contracting Officer methods to increase the cost ceiling. Exercising a quantity option is not an appropriate method, since a Contractor may feel obligated to recruit additional staff when in fact, additional hours are not required. While this is primarily a Project Officer issue, the WAM should be sensitive to this improper use of quantity options.

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## **G. HANDLING OF MULTIPLE APPROPRIATIONS**

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This section reinforces and elaborates on the information presented in Module 4.

### **1. Key Issues**

Most EPA contracts are funded by multiple appropriations. Some individual work assignments are also funded by multiple appropriations. This provides an additional level of complexity in reconciling Contractor charges by appropriation to the amounts obligated by appropriation. Also, there is the concern of charging the proper appropriation in accordance with the nature of the work performed.

Another issue is that in some cases, property acquired by the Contractor may be funded by a single appropriation, although the property actually benefits several work assignments and appropriations under the contract.

Another problem may arise when another EPA office outside of EPA desires to use an EPA contract vehicle to support a given project. If the other office does not provide the necessary funding in advance, this may lead to using one appropriation to pay for work supporting another appropriation. This creates the risk of an Anti-Deficiency Act violation should the promised funding not be forthcoming.

### **2. Procedures**

The selection of appropriation accounts to charge and the processing of requests by other EPA offices to use EPA contracts (intra-agency funding) are typically Project Officer functions. However, the WAM needs to be aware of and knowledgeable of these issues in managing the work assignment. To properly address these issues, the following guidance is offered:

#### **(1) Procedures for Multiple Appropriations**

- To the maximum extent possible, individual work assignments should be funded by single appropriations.
- Where multiple appropriations are used for a work assignment and direct charging of the appropriations is not feasible, approval must be obtained on the method of allocating costs among appropriations and the correct use of the appropriations from the Director, Financial Management Division (FMD) (see *Contracts Management Manual*, Chapter 9).
- Where property acquired by the Contractor benefits multiple work assignments and appropriations, the charges should be allocated among the appropriations. FMD approval is not required, but a justification for the allocation of costs among the appropriations should be provided on the funding document.

**Where a separate program management work assignment benefits other work assignments, the charges incurred on the management work assignment should be allocated among all the benefitting appropriations.**

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## **H. IDENTIFYING AND RESOLVING ACTUAL OR POTENTIAL FINANCIAL PROBLEMS**

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The WAM can use the various reports described in Section E to help identify various financial problems on the work assignment.

### **1. Budget Problems**

The most common problem is that the Contractor cannot complete the work within the budget. Some related issues may include:

- Additional funds required for completion of the work assignment may not be available.
- The level and rate of Contractor charges appreciably exceed technical progress.
- The project has encountered complexities which were unforeseen and make it unlikely to complete the work without significant additional funds and time.
- The Contractor does not seem to understand the technical requirements of the project; the likelihood of successful completion is questionable.

Some indications of potential budget problems are:

- 70 percent of the budgeted hours and costs have been expended, with only two of six deliverables completed.
- Cumulative average cost/hour significantly exceeds (e.g., by 20 percent) budgeted cost/hour.
- The Contractor continuously requires several iterations to produce an acceptable deliverable.

When the WAM identifies problems of the type indicated above, he/she should immediately notify the Project Officer. Actions the WAM and Project Officer can take include:

- Adding hours and funds to enable the work to be completed.
- Amending the work assignment to reduce the number of deliverables and tasks consistent with the budget and available funding.
- Shifting some of the work to the next fiscal year.
- Encouraging the Contractor to reexamine his technical and staffing approach to improve performance and contain costs.
- Cutting off the project.

While the Contractor is paid for all costs which are reasonable, allowable and allocable, the WAM and Project Officer do have certain "leverage" with the Contractor by: (1) adjusting the work assignment to best meet the Government's needs, and (2) motivating the Contractor to pursue solutions through its interest in obtaining future work and desire to maintain a good reputation.

Under cost-reimbursement contracts, Contractors are required to give "best efforts." The Government can deny payment if such best efforts are not given. An example would be a case where a Contractor refused to make changes to a deliverable that was judged to be deficient despite several requests by the WAM or Project Officer. Before recommending suspension of payment for such cases, the WAM should discuss this with the Project Officer.

## **2. Questionable Charges**

Based on review of the invoice and financial report, the WAM and Project Officer may identify questionable charges, such as:

- Excessive hours with regard to the work performed.
- High travel costs, with the purpose of the travel being unclear.
- Training charges which have not been pre-approved and which are not reflective of a change in method or equipment.
- Incorrect work assignment numbers.
- Charges which have previously been billed.
- High copying costs.

The WAM should notify the Project Officer of any questionable items. The Project Officer will then contact the Contractor to clarify and resolve the issue. The WAM and PO can recommend **suspension** of certain costs, if such costs are believed to be inappropriate or lack supporting documentation. FMC-RTP will then typically pay the invoice, less the suspension, pending resolution of the questioned amount. In some cases, charges may be disallowed, i.e., a final determination that the Government will not pay the cost. Only the Contracting Officer can disallow costs.

## **3. Stop Work Orders**

If the Government is dissatisfied with the Contractor's performance, or otherwise desires to stop work on a contract or work assignment while a problem or issue is being resolved, it can issue a "Stop Work Order" to the Contractor. **This can only be done by the Contracting Officer.** If the WAM believes that such an action should be taken, he/she should discuss this with the Project Officer. The issuance of a stop work notice is one of several options available to the Contracting Officer to address a performance problem.

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## **I. FORECASTING CARRYOVER FUNDS**

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Since LOE contracts are "severable," work assignments cannot continue into the next fiscal year unless the period of performance of the contract crosses fiscal years. However, the funds obligated under the contract can be carried over to the next fiscal year, as long as the funds are "no year" money or "two-year" money (and one year remains in the appropriation). Science and Technology (S&T) and the Environmental Program Management (EPM) allows funds to be spent over two years. The Superfund appropriation has an indefinite obligation period.

(**Note:** In contrast to severable work assignments, non-severable delivery orders may continue into the next contract period until completed. The funds originally obligated for the delivery order can be used to complete the work even if the appropriation has expired.)

The Project Officer should provide the Contracting Officer no later than one month before the end of the fiscal year a forecast of the funds to be moved to the next year of the contract. To support this forecast, the WAM needs to project the unexpended funds on the work assignment. The Project Officer will notify the WAM of the due date for this forecast. However, the WAM should begin estimating carry over funds no later than 45 days before the end of the fiscal year. The WAM should analyze the various financial reports and hold discussions with the Contractor to develop an accurate projection of expenditures in the last two months of the fiscal year.

It is no longer necessary to move funds into the next contract period (term) prior to the expiration of the current fiscal year. In the past, no-year funds, or funds unspent in the first year of a two-year appropriation, which were not moved forward prior to the end of the current year, had to be deobligated and recertified by the Comptroller for use in the next year. This is no longer the case. Also, no-year funds (e.g., Superfund) may now be moved from term to term at any time during the life of the contract without concern for deobligation and recertification as long as the funds remain in the contract.

Nevertheless, if the contract period coincides with the fiscal year, it is still highly desirable to move excess funds from the current period to ensure funding is available at the start of the next year.

Exhibit 8-9 presents an example of a WAM carryover forecast.

**Exhibit 8-9**

**WAM CARRYOVER FORECAST**

**MEMORANDUM**

**SUBJECT: Estimated Carryover Funds**

**FROM: C. Thomas**  
**Work Assignment Manager**

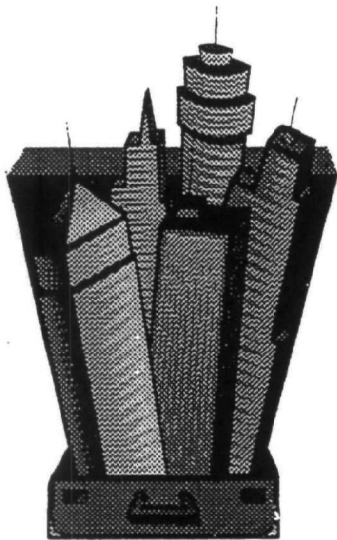
**TO: D. Smythe**  
**Project Officer**

**DATE: August 15, 1996**

Based upon analysis of cumulative expenditures and discussions with the EFG Company Project Manager, I estimate the following carryover funds for Work Assignments 96-1 (Development of EMAP DQ Process Examples), and 96-3 (Editing and Formatting of EMAP QA Program Plan) on Contract No. 68-D3-0839.

	<u>Work Assignment Number</u>	
	<u>96-1</u>	<u>96-3</u>
Cumulative charges through 7/31/96	\$52,452	\$28,687
Estimated costs, 8/1/96 - 9/30/96	\$10,600	\$ 8,300
Total estimated costs through 9/30/96	\$63,052	\$36,987
Estimated funding for work assignment	\$70,000	\$48,000
Estimated carry over funds	\$ 6,950	\$11,020

## Briefing/Training Guide



# **FLEXIPLACE**

**EPA Headquarters**

**Briefing/Training Guide**

**May, 1999**

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Q & A's

Matrix (EPA Policy, NTEU, AFGE Agreements)

Greater Washington, D C Area Federal Interagency Telecommuting Centers

"Being A Telecommuter"

"Supervising Telecommuters"

## **Introduction**

EPA's Flexible Workplace Program (Flexiplace) goes back to 1990-1991 when the Agency joined 14 other federal agencies in a home-based, flexiplace pilot program operated and evaluated by OPM and GSA. As a result of the two year program, OPM assured all federal agencies of their authority to establish such programs and encouraged their use. EPA's Flexiplace programs continued under the OPM guidance until the Agency issued a new Flexiplace Policy document (#3180 - EPA Flexiplace Policy, December 23, 1997). The differences between the old guidance and the new policy were primarily procedural and editorial. The policy includes updated forms, an updated standard work agreement and clarified terms and definitions.

An American Federation of Government Employees (AFGE) National Collective Bargaining Agreement for flexiplace was negotiated and signed effective November 13, 1998. The agreement must be implemented as approved by all organizational locations (including Headquarters) within the AFGE National Council.

Similar negotiations and agreement have been concluded at Headquarters with the National Treasury Employees Union (NTEU) Chapter 280. That agreement is effective April 17, 1999.

(NOTE: The policy document and the two union agreements may be found on EPA's Intranet Website <http://intranet.epa.gov/rmpolicy/hr> )

This guide answers the most frequently asked questions about flexiplace, provides a matrix of the major subject areas for the Policy document and the two union agreements; information on the Greater Washington, D.C. Area Federal Interagency Telecommuting Centers, and do's & don'ts for employees and supervisors. It is intended to include the applicable guidance to meet the training requirement.

## **Flexiplace -- Frequently Asked Questions**

### **General**

*1. What is Flexiplace?*

Flexiplace is the assignment to work at an alternate work location other than an employee's official work station.

*2. Is participation in Flexiplace an employee right?*

No. Flexiplace is a work arrangement that is discretionary on the part of management and voluntary on the part of the employee.

*3. What are the different types of Flexiplace?*

Regular, episodic, and medical. In general, regular Flexiplace involves the performance of existing duties at an alternative work location on a regular and recurring basis. Episodic Flexiplace involves discrete work or assignments of specific limited duration that can be performed at an alternative work location. Medical Flexiplace involves the continued accomplishment of agency work while an employee has a temporary medical condition that does not affect the employee's ability to perform his or her regular work assignment at the alternative work location. Please refer to the appropriate section in the agency policy or union agreements for more specific guidance.

*4. How is Flexiplace different than alternative work space?*

These are two separate programs. The alternative work space program covers those employees who, through approved medical documentation, may work at a location other than their official work site due to problems associated with the building or office space. It is a program with its own application process and criteria.

*5. Is there a budget for Flexiplace?*

No specific funding has been provided for Flexiplace. This means that any associated costs (e.g., extra computers, modems, dial-in lines, phone charges) will come from the operating budget. Approval will be based on availability and additional cost to the Agency among other factors.

*6. Will there be a limit on the number of people who are allowed to participate?*

Not at this time.

7. *Are there any job categories or occupations that are automatically excluded from participation?*

No. Applications will be reviewed on an individual basis.

8. *Can SEE enrollees and contractors participate in Flexiplace?*

No. The Flexiplace program applies only to EPA employees.

9. *Can part-time employees participate?*

Yes. However, one of the approval criteria is that the employee's work schedule be sufficient to provide both office and Flexiplace days.

10. *Do employees need to re-apply for Flexiplace even if they were on existing pilot Flexiplace arrangements prior to the agency policy or negotiated agreements with the unions?*

Yes. All employees need to re-apply according to agency policy or appropriate union agreement.

11. *If an employee is denied one type of Flexiplace, can the employee apply for another type of Flexiplace?*

Yes. For example, regular Flexiplace may not be appropriate but episodic Flexiplace could be an option, assuming established criteria are met.

12. *If an employee is removed from Flexiplace participation, can the employee re-apply after a specified length of time?*

An employee can reapply after 6 months.

13. *What type of training is required before entering into a Flexiplace agreement?*

The training requirement is intended to assure that program participants (employees and their supervisors) receive applicable guidance that covers Flexiplace policies and guidelines, as well as personal and occupational aspects of Flexiplace agreements. That may include training and/or other types of communication which provides an overview of the program and the requirements for participation.

14. *Can the employee make changes to their alternative work location, work schedule or other aspects of their tour of duty?*

The policy guidelines provide for maintaining one's regularly scheduled tour of duty, hours, etc. Any deviations from maintaining existing schedules should be negotiated with the employee's supervisor.

15. *Can you remain on a compressed work schedule and also be on Flexiplace?*

Yes.

16. *Can supervisors limit the number of days to specific days because of the employee's existing compressed work schedule?*

Supervisors will consider the criteria contained in the policy and agreements and determine the number of Flexiplace days based on the individual merits of each request. The specific days can be designated by management based on reasonableness and practicality of the request with respect to such issues as complexity of administrative arrangements that need to be made or potential impact on other employees' workload.

17. *Why is there a safety checklist? How does the employee certify the items on the checklist? Does it refer just to the work area or to the whole house? What does the supervisor's signature signify? Certification? Receipt?*

The safety checklist is an OSHA requirement for all federal agencies with Flexiplace programs. The employee is expected to certify the conditions to the best of their knowledge. Most of the items on the checklist refer to the space designated as a work area. For instance, if an employee has a second-floor office/study to be used as an Alternative Work Location (AWL), but there is water on the floor in the basement, the office could be reasonably reported as "safe" because the basement is distant, not work-related, and not used as a Flexiplace work area. On the other hand, if the home has an asbestos problem, that would extend to the whole house, including the AWL. The supervisor's signature on the form only acknowledges receipt of the safety checklist. A safety inspection would need to be conducted to certify anything more. If an accident or injury should occur in the AWL, it is important to notify your supervisor immediately.

18. *If the employee requests to work at a government worksite or GSA-approved telecenter, do they need to complete the Self-Certification Safety Checklist?*

No. The presumption is that a GSA-approved telecenter or other government facility would meet existing workplace safety standards.

19. *If I am on approved Flexiplace, must I give out my home phone number?*

The Flexiplace program requires that you be accessible to the supervisor, co-workers and customers to the same extent that you are in the office, by phone and LAN. This includes your agreement to release your home telephone number or the number of your AWL to "customers."

20. *Does application for Flexiplace presume that you have day care arrangements taken care of for Flexiplace days?*

The Work Agreement you sign certifies that you will not conduct unauthorized

personal business, such as day care or elder care, while in official duty status, and that you will arrange for any dependent care and other personal responsibilities so as to ensure work without interruption.

- 21. Does EPA have to install telephone lines, computers or other equipment at employee's home if they are approved to work at home?*

The agency will provide appropriate equipment, when it is available, for employees to perform work at the Flexiplace work site. The agency may install telephone lines and other necessary equipment and pay monthly telephone charges in private residences under special circumstances. These decisions are made on an individual basis based on the job and availability of funds and equipment.

- 22. If an employee has a home computer, is there still a cost to the Agency?*

Even if the employee also supplies a modem, there are likely to be other costs associated with upgraded dial-in capacity, software licensing, and increased telecommunications charges.

- 23. What are the rules with respect to taking Confidential Business Information (CBI) or other confidential materials out of the office?*

The rules vary depending upon which statute/regulations govern the use of the documents.

- 24. Can I request overtime for work performed at home, either at night or on weekends?*

The rules for overtime are the same at the AWL as they are in the office. The overtime must be properly authorized and approved in advance.

- 25. If I am a part-time employee can I work extra non-overtime hours at the AWL?*

Any extra hours must be approved in advance, just as in the office.

- 26. Can Flexiplace be requested for less than full day(s)?*

Yes. Nothing in the agreement precludes it.

- 27. The agreement references codes to be used on the timecards for Flexiplace days. What are they?*

Code "C" should be used for employees on regular 8-hour schedules (or less if part-time); code "D" should be used for employees on compressed schedules. These should be recorded in the "other absence" column.

- 28. How will supervisors monitor employees' work at the AWL?*

In order for work to be approved for Flexiplace it must be defined and measurable. Those measures should ensure that the work is being performed. In addition, the employee is expected to be at work and accessible by phone or e-mail throughout their regularly scheduled work day. In some cases, employees may be asked to keep hourly logs of work completed. Unauthorized absences will be treated the same as if they occurred in the office—i.e., subject to disciplinary action and/or removal from the Flexiplace program as appropriate.

*29. How does participation in Flexiplace affect participation in the Transit Subsidy program?*

If an employee's transportation costs are reduced to under the amount allocated, he or she must request a reduction in the amount of transit subsidy requested. If the employee already received money for a particular month that was not fully used, he or she must request a reduction in the next month's subsidy.

*30. If the government shuts down for weather related reasons, does the employee get credited for compensatory time or overtime if they work on their Flexiplace day from their approved alternative work location?*

If the employee is on approved Flexiplace the day the government shuts down, the employee is expected to work their normal tour of duty from their alternative work location. The employee is not entitled to compensatory time or overtime pay.

*31. Can I vary my schedule at the AWL?*

You are required to work the same schedule that applies at your regular work site.

*32. Who do employees contact if they have additional questions on Flexiplace?*

Employees should contact their supervisor or their respective union representative. Managers and supervisors should contact the Labor Relations Office.

*33. Where can employees get copies of the agency policy and negotiated agreements?*

Copies can be obtained at EPA's Intranet Website: <http://intranet.epa.gov/rmpolicy/hr>.

*34. Is there a re-certification requirement?*

As indicated in Flexiplace, annual certification is required.

### **Application and Approval**

*35. How does an employee apply for Flexiplace?*

Depending on which bargaining unit they are in, the employee must complete the appropriate application for Flexiplace and submit all required materials to their immediate supervisor for consideration.

*36. Who signs and approves Flexiplace applications?*

Management. Depending on the organization, the employee's supervisor, upper management (or a management committee in some organizations) may review and make decisions on the applications.

*37. Can the same supervisor sign and approve the Flexiplace application?*

Yes. Management will make the decision on all applications.

*38. What are the criteria for approving/disapproving Flexiplace?*

The agency policy and both union agreements lay out the specific criteria. Generally, they involve such factors as portability of work, customer service, available equipment and costs.

*39. Who has the final authority to approve/disapprove applications or specific elements within the application?*

Management.

*40. How much time do supervisors have to approve or disapprove an Flexiplace application?*

Normally, supervisors should make their decisions on applications within 15 calendar days.

*41. If an employee is denied Flexiplace, can the employee re-apply after a specified length of time?*

The employee may re-apply at any time if any aspects of the application change (e.g., new work duties, new supervisor).

*42. If an employee's application for Flexiplace is not approved, what are the appeal rights?*

Disapprovals may be grieved under the negotiated grievance procedure for bargaining unit employees or the administrative grievance procedure for non-bargaining unit employees. The first step of this process is to take the matter up with the immediate supervisor in an attempt to settle it informally.

*43. Who determines where the employee will work (home, GSA-approved telecenter, other)?*

Management.

*44. Does the alternative work site or location need to be within the local commuting area?*

The program and participant requirements of the EPA Flexiplace policy anticipated that the work site location be within the local commuting area; however, geographical location, by itself, is not among the criteria for disapproval. The EPA Labor Relations Staff should be consulted in these situations.

*45. Can employees request and be approved for more than one type of Flexiplace?*

In unique circumstances, employees may be approved for different types of Flexiplace at the same time. For example, an employee may be approved for regular Flexiplace and later suffers a temporary illness or medical condition that prevents them from performing their job duties in their normal work site. Upon providing appropriate medical evidence, the employee could apply and be approved for medical Flexiplace for the remaining work days. The employee would continue to perform his or her regular work assignments.

*46. Are different eligibility requirements used for the different types of Flexiplace?*

Generally, the requirements for eligibility are the same for all types of Flexiplace, but under episodic Flexiplace, the nature of the work will usually be a project or a discrete portion of a project that is of short duration, with measurable work products of an infrequent or occasional nature. Under medical Flexiplace, the decision to approve/disapprove will also be based on the employee's ability to provide definitive, conclusive medical evidence concerning his/her temporary medical condition, and will include an expected return-to-work date, not longer than six months.

*47. What is meant by "timely advance request" under employee responsibilities (p. 3 of the Agreement)?*

Circumstances may vary widely depending on the various types of Flexiplace involved, the nature and duration; therefore no specific advance notice period is specified. Employees should use good judgement in providing as much lead time as possible in light of management's responsibility to evaluate the various aspects of the request. An employee with a planned medical situation of substantial duration (e.g., one month), for example, would want to provide more advance notice than a request for a one-day episodic request that arose as the result of an unanticipated assignment.

*48. How many days can employees work under regular Flexiplace?*

Normally, employees may be approved to work no more than two days per week at the alternative work location. For more specific guidance, refer to the definitions section in the appropriate agency policy and negotiated agreements.

*49. What happens if I am on a Flexiplace agreement and I change jobs or there are other changes in my assignments?*

These sorts of changes could trigger a reassessment of the Flexiplace arrangement for suitability and continued approval.

*50. Do new performance standards need to be written for employees on Flexiplace?*

No. Changes should not be necessary because the actual duties to be performed and any assessment of results should remain the same at the AWL. However, critical elements and performance standards must have clearly defined performance requirements that are quantifiable, measurable, and/or results oriented.

*51. Does removal from the program affect an employee's performance rating? Is it considered a disciplinary action?*

Terminating an employee's Flexiplace work agreement is not in itself disciplinary in nature, nor does it necessarily imply performance problems. However, if the reason for removal from the program were conduct-related (e.g., unauthorized absence from duty) or performance-related (e.g., failure to complete assignments in a timely fashion), then disciplinary and/or performance-based action might be warranted.

*52. What type of medical information is required in order to be considered for medical Flexiplace?*

The medical condition shall be certified in a manner acceptable to the agency. Generally, it will be a physician's statement of temporary incapacitation including diagnosis, prognosis, and targeted return date or other acceptable evidence related to the reason for the employee's Medical Flexiplace request.

*53. Do employees need to submit an application each time they request episodic Flexiplace?*

Yes.

*54. If the cost is less because I have a home computer, will I be more likely to be approved for Flexiplace?*

This is not likely to be a primary factor. The portability of the work and other approval criteria are more likely to affect approval of the request.

### **Medical Flexiplace**

*55. How does Medical Flexiplace relate to sick leave?*

Flexiplace should not be confused with leave. When an employee is on sick leave, he or she is *incapacitated* or *unavailable* to work due to personal or family illness or injury. Under Medical Flexiplace, the employee is *able* to work either part or all of the time, but is especially unable to get to the office.

56. *Does Medical Flexiplace affect use of the Leave Bank? (e.g., now that work at home is available, will people be expected to work instead of requesting leave bank?)*

No. Participation in Medical Flexiplace is strictly voluntary.

57. *For Medical Flexiplace, the language reads, "will normally not exceed six months." What does this mean and why?*

Medical Flexiplace is not intended as a permanent arrangement, nor as a substitute for disability retirement. While six months was suggested as a benchmark for identifying temporary as opposed to permanent situations, the agreement does provide for extensions of this time frame where appropriate.

58. *For Medical Flexiplace, the language also reads "the Employer may approve up to 5 days per week at the alternate work location" -- what about part-time or fewer hours per day?*

The number of hours per week an employee may work while on Medical Flexiplace will depend both on the amount of work that can be performed away from the office and the nature of medical condition involved. For example, if the condition is a broken leg but the employee is not otherwise incapacitated to work, nothing would preclude that employee working 40 hours per week assuming that amount of work was available to be performed at home. On the other hand, if the employee is recuperating from an illness, only a limited number of hours may be performed due to medical limitations prescribed by the doctor. Medical documentation must specify the beginning date of the medical situation and the number of days per week and hours per day the employee may work.

SUMMARY (See Pages 1-8 for more details)

**FLEXIPLACE DIFFERENCES FOR AFGE/NTEU AND NON-BARGAINING UNIT AGREEMENT**

<b>Differences in the agreements</b>	<b>EPA Flexiplace for Non-Bargaining Unit Employees 12/23/97</b>	<b>EPA Flexiplace for Employees under the AFGE Agreement 11/30/98</b>	<b>EPA Flexiplace for Employees under the NTEU Agreement 04/18/99</b>
Regular	No more than <b>two days per week</b> outside the office.	No more than <b>two days per week</b> outside the office. Flexiplace days must be <b>the same each week.</b>	No more than <del>four days</del> <b>in any two week period.</b>
Portability of work assigned	Supervisor will assess the portability of the work.	Supervisor will assess the portability of the work.  Work must be part of employee's regular assignment and must be <b>clearly defined and measurable.</b>	Supervisor will assess the portability of the work.  Work must be part of employee's regular assignment, however <b>does not have to be measurable.</b>
Oversight functions	Designate Program Coordinator to ensure admin. functions are appropriately covered.	Union and management will meet within <b>6 months</b> of the implementation date to review available data evaluate and resolve any disputes.	Union and management will meet within <b>one year</b> of implementation date to review available data and to discuss and identify concerns or issues.
Application requirements	Application forwarded to Flexiplace Coordinator. <b>No time designated for response.</b>	Employee will submit required application - normally a written decision will be provided to the employee <b>within 15 days after receipt of applications.</b>	Employee will submit required application - normally a written decision will be provided to the employee <b>within 15 days after receipt of applications</b>
Training	All flexiplace participants <b>MUST</b> attend training (provided by Prog. Coord.) prior to their initial participation.	Employees & their supervisors <b>MUST</b> receive applicable guidance which may include training and/or other types of communication.	Employees & their supervisors <b>MUST</b> receive applicable guidance which may include training and/or other types of communication.

### Flexiplace at EPA Headquarters

	Agency Flexiplace Agreement	AFGE Flexiplace Agreement	NTEU Flexiplace Agreement
<b>Types of Flexiplace and Their Characteristics</b>	<p>Regular - Work as scheduled in advance and performed at the alternate workplace on a regular and recurring basis. Normally, employees will be scheduled no more than two days per week outside of the office</p> <p>Episodic - Available on an ad hoc, short-term basis to complete projects which are not regular or recurring in nature.</p> <p>Medical - Designed to permit employees who have a temporary medical condition that precludes them from working at the conventional workplace to continue to be productive and accomplish work assignments that can be performed at a place other than the regularly assigned worksite. The medical condition shall be certified in a manner acceptable to the Agency.</p>	<p>Regular - Employees may request the performance of duties at an alternate work location on a regular or recurring basis. Normally, employees will be scheduled to work no more than two days per week at the AWL. Flexiplace day(s) must be the same each work week under this form of Flexiplace.</p> <p>Episodic - This is appropriate for work on assignments of specific limited duration that can be performed at an AWL</p> <p>Medical - This is designed for the continued accomplishment of Agency work while an employee has a medical condition which does not affect the employee's ability to perform his or her regular work assignments at an AWL. The Agency may request the employee to provide a physician's statement of incapacitation or other acceptable evidence related to the reason for the employee's Medical Flexiplace request.</p> <p>AWL - This is an agreed upon work location other than the employee's official duty station.</p>	<p>Regular - Employees may request the performance of duties at an alternate work location on a regular and recurring basis. Normally, employees will be scheduled to work at the discretion of their supervisor, no more than four days in any two week pay period at the AWL</p> <p>Episodic - This is appropriate for work or assignments of specific limited duration that can be performed at an AWL.</p> <p>Medical - This is designed for the continued accomplishment of Agency work while an employee has a medical condition which does not affect the employee's ability to perform his or her regular work assignment at an AWL. The Agency may request the employee to provide a physician's statement of incapacitation or other acceptable evidence related to the reason for the employee's Medical Flexiplace request</p>
<b>Responsibilities</b>	<p>AAs and RAs-(1) Decide on the application and use of Flexiplace assignments within their respective AAs or Regions. This includes determining which organizational elements and/or positions may participate in the programs and (2) ensure that appropriate management controls and reporting procedures are in place before employees</p>	<p>Management - Approving the use of Flexiplace in accordance with the terms of the agreement and in consideration of such factors as mission accomplishments, service to the public, and costs and benefits to the Agency and employees.</p> <p>Employees-(1) Completing required forms to participate in the program; (2) Making</p>	<p>Management - Approving the use of Flexiplace in accordance with the terms of the agreement and in consideration of such factors as a mission accomplishment, service to the public, and costs and benefits to the Agency and employees.</p> <p>Employees-(1) Completing required forms to participate in the program; (2) Making</p>

### Flexiplace at EPA Headquarters

Page 2	Agency Flexiplace Agreement	AFGE Flexiplace Agreement	NTEU Flexiplace Agreement
<b>Responsibilities (Cont'd)</b>	<p>begin Flexiplace assignments</p> <p>Supervisors-(1) Approve or disapprove the employee's participation in the program; (2) approve or disapprove worksite arrangements (which must remain the same unless otherwise approved by the supervisor); (3) assess the impact of the proposed Flexiplace assignments on the productivity of the office as a whole and on any other affected employees; (4) assess the portability of the employee's work and the likelihood of the employee's successfully completing it away from the official duty station; (5) develop or amend performance standards and measurements, if necessary, for work performed away from the official duty station; (6) provide equipment, when necessary and available, for the employee to adequately perform assigned work; and (7) maintain productivity record and information to evaluate the employee's performance and quality of work.</p> <p>Employees-(1) Complete work agreements, (2) Observe agreed upon hours of work in accordance with established EPA policies; (3) Observe Agency policies for requesting leave; (4) Safeguard Agency equipment and use it only for official purposes; (5) Serve as the designated official (employer representative) in charge of their off-side workplace, and therefore be responsible for compliance with appropriate health and safety regulations. As the designated official the employee must:</p>	<p>timely advanced requests for use of Flexiplace; (3) Observing agreed upon hours of work; (4) Observing established policies and procedures for requesting and using leave; (5) Safeguarding Agency equipment and supplies and using them only for official purposes; (6) Completing the Employee Self-Certification of Time and Attendance Report and returning it to the supervisor on a bi-weekly basis; (7) Performing only official EPA business while on Flexiplace assignment, including an AWL environment that is free from distractions and interruptions; and (8) Maintaining compliance with appropriate health and safety regulations, and reporting unsafe working conditions.</p>	<p>timely advanced requests for use of Flexiplace; (3) Observing agreed upon hours of work; (4) Observing established policies and procedures for requesting and using leave; (5) Safeguarding Agency equipment and supplies and using them only for official purposes; (6) Completing the Employee Self-Certification of Time and Attendance Report and returning it to the supervisor on a bi-weekly basis; (7) Performing only official EPA business while on Flexiplace assignment, including an AWL environment that is free from distractions and interruptions; and (8) Maintaining compliance with appropriate health and safety regulations, and reporting unsafe working conditions</p>

### Flexiplace at EPA Headquarters

Page 3	Agency Flexiplace Agreement	AFGE Flexiplace Agreement	NTEU Flexiplace Agreement
<b>Responsibilities (Cont'd)</b>	<p>(a) complete the "Employee Self-Certification Safety Checklist," which identifies significant safety standards that should be met; and (b) return it to his/her supervisor prior to entering into a Flexible Workplace Program Agreement; (6) Complete the Employee Self-Certification of Time and Attendance Report and returning it to the supervisor on a bi-weekly basis; (7) Respond in a timely manner to Agency customers and to the public; (8) Complete required training; and (9) if applicable, make proper arrangements for dependent care during work-at-home hours, before beginning the Flexiplace assignment.</p> <p>Program Coordinators-(1) Ensure that all participating supervisors and employees are aware of their responsibilities; (2) Maintain copies of all Flexiplace applications and workplace agreements; and (3) Monitor and evaluate the program</p> <p>Note: At his/her option, an AA/RA may establish this position and place it anywhere in the organization. However, if an AA/RA does not designate a coordinator, he/she must ensure that the administrative functions listed above are appropriately delegated and performed by one person.</p>		
<b>Eligibility</b>	Regular-(1) have supervisory approval for participation; (2) have worked as an EPA employee for at least one year; (3) have at least a Successful performance rating as the most recent rating of record; (4) have clearly	Employees must: (1) volunteer for the program; (2) have supervisory approval for participation; (3) have worked as an EPA employee for at least one year; (4) not be a probationary or temporary employee; (5) not	Employees must: (1) volunteer for the program; (2) have supervisory approval for participation; (3) have worked as an EPA employee for at least one year; (4) not be a probationary or temporary employee; (5) not

### Flexiplace at EPA Headquarters

Page 4	Agency Flexiplace Agreement	AFGE Flexiplace Agreement	NTEU Flexiplace Agreement
<b>Eligibility (Cont'd)</b>	<p>defined performance standards and measurements; (5) have portable work; (6) if working at home, be able to provide an appropriate work location with adequate space not subject to undue interruptions which would impact productivity and access to a telephone; (7) have demonstrated to the satisfaction of the supervisor the ability to work independently; (8) be willing to sign and abide by a written work agreement; and (9) if applicable, be able to arrange for dependent care during the time the employee is working at home.</p> <p>Episodic - The requirements are the same as for Regular Flexiplace; however, the nature of the work will usually be a project or a discrete portion of a project that is of short duration, with measurable work products of an infrequent or occasional nature.</p> <p>Note: It is recommended that employees with frequent public or internal client contact be eligible only for Episodic Flexiplace participation.</p> <p>Medical - the decisions to approve an employee's participation in Medical Flexiplace is entirely that of the supervisor. The approval/disapproval will be based on the employee's ability to provide definitive, conclusive medical documentation concerning his/her <u>temporary</u> medical condition, and will include an expected return-to-work date. As a rule, temporary medical conditions would not continue for more than a few days</p>	<p>have had documented performance or conduct deficiencies within the preceding 12 months; (6) have portable work; (7) if working at home, be able to provide an appropriate work location with adequate space not subject to undue interruption which would impact productivity and access to a telephone; and (8) have demonstrated the ability to work independently.</p>	<p>have had documented performance or conduct deficiencies within the preceding 12 months; (6) have portable work; (7) if working at home, be able to provide an appropriate work location with adequate space not subject to undue interruption which would impact productivity and access to a telephone; and (8) have demonstrated the ability to work independently.</p>

### Flexiplace at EPA Headquarters

Page 5	Agency Flexiplace Agreement	AFGE Flexiplace Agreement	NTEU Flexiplace Agreement
<b>Eligibility (Cont'd)</b>	to a few months. Supervisors may not leave Medical Flexiplace assignments open-ended.		
<b>Criteria for Approval and Disapproval</b>	Supervisors determine approval based on eligibility requirements, including their assessment of the portability of the employee's work and the impact of the proposed Flexiplace assignment on the productivity of the office as a whole and on any other affected employees.	Approved -(1) portability of the work; (2) reasonableness and practicality of the request; (3) additional cost to the Agency; (4) availability of necessary equipment; (5) service delivery to internal and external customers, including office coverage; and (6) needs of the employee.	Approved -(1) portability of the work; (2) reasonableness and practicality of the request; (3) additional cost to the Agency; (4) availability of necessary equipment; (5) service delivery to internal and external customers, including office coverage; and (6) needs of the employee
		Disapproval-(1) Agency employment for less than one-year, (2) the position requires extensive face to face contact with employees, clients or the general public; (3) the work requires access to material which cannot be removed from the official work site; (4) any performance or conduct deficiencies have been identified and documented; (5) the employee's work schedule is insufficient to provide both office and Flexiplace days because of a limited tour of duty; (6) the work requires close supervision because the employee is new to the work or is being trained on new or developmental duties, or other work monitoring requirements; and (7) the employee has not demonstrated an ability to work independently, including time management	Disapproval-(1) the nature of the position is such that it cannot be performed from an alternate work location; (2) Agency employment for less than one year; (3) the position requires extensive face to face contact with employees, clients or the general public; (4) the work requires access to material which cannot be removed from the official work site; (5) performance or conduct deficiencies have been identified and documented; (6) the employee's work schedule is insufficient to provide both office and Flexiplace days because of a limited tour of duty; (7) the work requires close supervision because the employee is new to the work or is being trained on new or developmental duties, or other work monitoring requirements; and (8) the employee has not demonstrated an ability to work independently, including time management
<b>Flexiplace Guidelines</b>	(1) the employee must sign a Flexiplace Work Agreement that covers the terms and conditions of participation in the Flexiplace Program (2) Work agreements for Regular	(1) The employee must sign a Flexiplace Work Agreement that covers the terms and conditions of participation in the Flexiplace Program (2) The same work schedule rules	(1) The employee must sign a Flexiplace Work Agreement that covers the terms and conditions of participation in the Flexiplace Program. (2) The same work schedule rules

### Flexiplace at EPA Headquarters

Page 6	Agency Flexiplace Agreement	AFGE Flexiplace Agreement	NTEU Flexiplace Agreement
<b>Flexiplace Guidelines (Cont'd)</b>	<p>Flexiplace will normally provide for a minimum of three days per week at the official duty station. (3) Position description changes are not necessary unless the Flexiplace arrangement changes the actual duties to be performed (4) Performance standards and critical elements must have clearly defined performance requirements that are quantifiable, measurable and results oriented. (5) Any official record removed for or generated from Flexiplace assignments are the property of EPA. An employee must get written approval before taking official Records to a Flexiplace site Confidential and Privacy Act information will continue to be properly safeguarded at AWL just as it is at the official duty station using established guidelines and procedures. All official records taken from the office location will be appropriately documented. At the end of the Flexiplace assignment (termination, return to official duty location, etc.) the employee must return all official records to the EPA office. Employees must comply with any and all other applicable records security laws, regulations and policies. (6) Employees at AWL are subject to the same maximum workday limits as those working at the official duty station. Employees must self-certify time and attendance to their supervisor. (7) Employees in the Flexiplace Program are covered by the Federal Employee's Compensation Act. (8) The Agency will provide appropriate office equipment when it is available. (9) Employees are responsible for photocopying, mailing,</p>	<p>that apply at the regular work site apply at the alternative work location. (3) Position description changes are not necessary. (4) Performance standards and critical elements must have clearly defined performance requirements that are quantifiable, measurable and results oriented. Changes should not be necessary because the actual duties to be performed and any assessment of results should remain the same at the AWL. (5) Any official record removed for or generated from Flexiplace assignments are the property of EPA. Confidential and Privacy Act information will continue to be properly safeguarded at AWL just as it is at the official duty station using established guidelines and procedures. Employees must comply with any and all other applicable records security laws, regulations and policies. (6) Employees at AWL are subject to the same maximum workday limits as those working at the official duty station. Employees must self-certify time and attendance to their supervisor. (7) Employees in the Flexiplace Program are covered by the Federal Employees Compensation Act. (8) The Agency will provide appropriate office equipment when it is available. (9) Employees are responsible for photocopying, mailing, and faxing at the AWL. (10) Employees performing work at the AWL will follow established procedures for requesting and obtaining approval of leave.</p>	<p>that apply at the regular work site apply at the alternative work location. (3) Position description changes are not necessary. (4) Performance standards and critical elements must have clearly defined performance requirements that are quantifiable, measurable and/or results oriented. Changes should not be necessary because the actual duties to be performed and any assessment of results should remain the same at the AWL. (5) Any official record removed for or generated from Flexiplace assignments are the property of EPA. Confidential and Privacy Act information will continue to be properly safeguarded at AWL just as it is at the official duty station using established guidelines and procedures. Employees must comply with any and all other applicable records security laws, regulations and policies. (6) Employees at AWL are subject to the same maximum workday limits as those working at the official duty station. Employees must self-certify time and attendance to their supervisor. (7) Employees in the Flexiplace Program are covered by the Federal Employees Compensation Act. (8) The Agency will provide appropriate office equipment when it is available (9) Employees are responsible for photocopying, mailing, and faxing at the AWL. (10) Employees performing work at the AWL will follow established procedures for requesting and obtaining approval of leave</p>

### Flexiplace at EPA Headquarters

Page 7	Agency Flexiplace Agreement	AFGE Flexiplace Agreement	NTEU Flexiplace Agreement
<b>Flexiplace Guidelines (Con'd)</b>	and faxing at the AWL.		
<b>Changes</b>	<p>When any element of the work agreement changes (e.g., position, work assignment, or personnel changes, etc.), and participation is still approved, the Flexiplace arrangement must be re-evaluated and modified.</p> <p>Whenever changes occur, the following actions should be taken: (1) If the change results in a new supervisor for the Flexiplace employee and the employee would like to continue telecommuting: (a) the new supervisor will be provided orientation/training and given an overview of the employee's current work assignments and (b) the employee and supervisor will assess suitability for Flexiplace and, if approved, a new Flexiplace work agreement will be put in place; and (2) If the change results from a change in job tasks/assignments, the employee and supervisor must reassess the employee's suitability for Flexiplace and complete a new work agreement.</p>	<p>When any aspect of the work agreement changes (e.g., position, work assignment, supervisor, alternative work location, etc.), the employee and supervisor will reassess the employee's work for Flexiplace suitability and continued approval</p>	<p>When any aspect of the work agreement changes (e.g., position, work assignment, supervisor, alternative work location, etc.), the employee and supervisor will reassess the employee's work for Flexiplace suitability and continued approval</p>
<b>Withdrawal or Removal From Program</b>	<p>An employee may terminate his/her Flexiplace arrangement at any time without prejudice and return to his/her official duty station</p> <p>An unacceptable performance appraisal automatically terminates an employee's</p>	<p>An employee may terminate his/her Flexiplace arrangement at any time without prejudice and return to his/her official duty station. Employee notice to the supervisor should be in writing and acknowledged by the supervisor to prevent misunderstandings about the employee's work location.</p>	<p>An employee may terminate his/her Flexiplace arrangement at any time without prejudice and return to his/her official duty station. Employee notice to the supervisor should be in writing and acknowledged by the supervisor to prevent misunderstandings about the employee's work location.</p>

### Flexiplace at EPA Headquarters

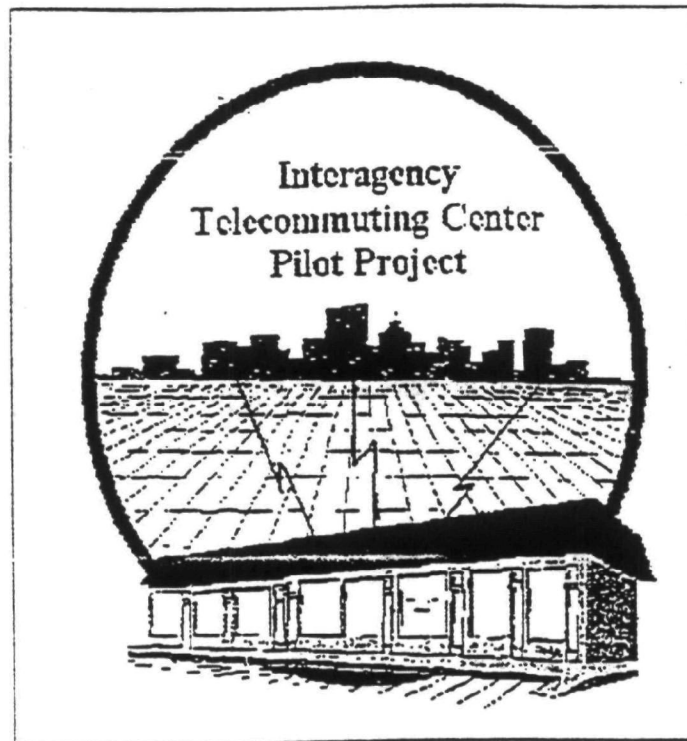
Page 8	Agency Flexiplace Agreement	AFGE Flexiplace Agreement	NTEU Flexiplace Agreement
<b>Withdrawal or Removal From Program (Cont'd)</b>	<p><b>Flexiplace arrangement</b></p> <p>Management retains the right to terminate an employee's Flexiplace participation at any time. Reasons for termination may include: (1) the employee's Flexiplace assignment no longer benefits the Agency; (2) the employee's work assignments are not being performed efficiently or effectively; (3) the employee fails to comply with the agreed upon program requirements; (4) the employee fails to participate in requested program monitoring and evaluation activities (including surveys, focus groups, etc.); or (5) conduct problems arise.</p>	<p>The Agency may remove an employee from the Flexiplace Program based on the employee's failure to adhere to the requirements specified in the Flexiplace Program Agreement, including performance or conduct problems. When a decision is made to remove an employee from the Flexiplace Program, the employee must be given written notice indicating the reason(s) for removal. The employee may reapply for Flexiplace Program participation six months after removal from the Program, provided that his/her performance and conduct are fully satisfactory.</p>	<p>The Agency may remove an employee from the Flexiplace Program based on the employee's failure to adhere to the requirements specified in the Flexiplace Program Agreement, including performance or conduct problems. When a decision is made to remove an employee from the Flexiplace Program, the employee must be given written notice indicating the reason(s) for removal. The employee may reapply for Flexiplace Program participation six months after removal from the Program, provided that his/her performance and conduct are fully satisfactory.</p>

7-2000 Interagency Telecommuting Center Pilot Project

7

# Welcome!

To the Greater Washington, D.C. Area  
Federal Interagency Telecommuting Center Pilot Project!



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The U.S. General Services Administration

ENTER

*Federal Interagency Telecommuting Center Pilot Project*

## *Project Overview*

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As of January 1999, the U.S. General Services Administration (GSA) has established a network of interagency telecenters in outlying communities surrounding Washington, D.C.

These telecenters are designed as alternate workplaces that augment the work-at-home option used by many Federal agencies as part of their "Family-Friendly" flexiplace program arrangements.

For more information, select one of the links listed below or contact the GSA Office of Strategic Innovations on (202) 208-1585 or Email at [prentice.einarsen@gsa.gov](mailto:prentice.einarsen@gsa.gov).

<u><a href="#">Background</a></u>	<u><a href="#">Start-up Procedures</a></u>
<u><a href="#">DC Area Telecenter Listing</a></u>	<u><a href="#">DC Area Telecenter Map</a></u>
<u><a href="#">Pricing Structure and Billing Procedures</a></u>	<u><a href="#">Legislative Support</a></u>
<u><a href="#">March 1998 Pilot Project Study</a></u>	<u><a href="#">July 1997 Report to Congress</a></u>
<u><a href="#">1995 Interim Report</a></u>	<u><a href="#">GSA Telecommuting Homepage</a></u>
<u><a href="#">Agency Telecommuting Coordinators</a></u>	<u><a href="#">Nationwide Telecenter Listing</a></u>

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*Thanks for visiting the Telecenter Pilot Project homepage! If you have any comments or suggestions regarding this page, please direct them to the Office of Strategic Innovations on (202) 208-1585 or Email at [prentice.einarsen@gsa.gov](mailto:prentice.einarsen@gsa.gov).*

*Federal Interagency Telecommuting Center Pilot Project*

## Washington DC Area Telecenter Listing

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The information on this page is current as of *January 15, 1999*. Changes are made as needed. If you detect outdated or incorrect information or if you want more information pertaining to this project, please contact the GSA office of Strategic Innovations on (202) 208-1585 or Email at [prentice.einarsen@gsa.gov](mailto:prentice.einarsen@gsa.gov).

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### *Maryland*

Hagerstown  
14 North Potomac Street, Suite 200  
Hagerstown, MD 21740  
Info: (301) 745-5601  
Email: [mjbrav@aol.com](mailto:mjbrav@aol.com)  
Internet: <http://pilot.wash.lib.md.us/telework>

Frederick  
7340 Executive Way, Suite M  
Frederick, MD 21704  
Info: (301) 698-5904  
Email: [telework@ibasvs.net](mailto:telework@ibasvs.net)  
Internet: <http://www.ibasvs.net/telework.htm>

Bowie  
Community Network Telework Center  
Thurgood Marshall Library  
Bowie State University  
14000 Jericho Park Road  
Bowie, MD 20715  
Info: (301) 352-4390  
Email: [telework@bowiestate.edu](mailto:telework@bowiestate.edu)

Laurel (Spring 1999)  
Laurel Telecommuting Center  
Laurel Lakes Corporate Center  
13974 Baltimore Avenue  
Laurel, MD 20707  
Info: (301) 934-7628  
Email: [danettec@charles.cc.md.us](mailto:danettec@charles.cc.md.us)  
Internet: [www.telecommutesomd.org](http://www.telecommutesomd.org)

Laurel

④

Maryland National Guard Learning/TeleCenter  
8601 Odelle Road  
Laurel, MD 20708  
Info: (410) 429-4514  
On-site phone: (301) 210-3394  
Email: [kmcneill@erols.com](mailto:kmcneill@erols.com)  
Internet: [www.edmonds-associates.com/telecomea.html](http://www.edmonds-associates.com/telecomea.html)

Reisterstown  
Maryland National Guard Learning/TeleCenter  
13610 Desert Storm Lane, Camp Fretterd  
Reisterstown, MD 21136  
Info: (410) 429-4514  
Email: [kmcneill@erols.com](mailto:kmcneill@erols.com)  
Internet: [www.edmonds-associates.com/telecomea.html](http://www.edmonds-associates.com/telecomea.html)

White Oak  
Maryland National Guard Learning/TeleCenter  
12200 Cherry Hill Road  
Silver Spring, MD 20904  
Info: (301) 352-4390  
Email: [telework@bowiestate.edu](mailto:telework@bowiestate.edu)  
*A joint project involving GSA, the MD Nat'l Guard and Bowie St. University*

Calvert County  
Calvert County InTeleWork Center  
110 S. Solomon's Island Rd.  
Prince Frederick, MD 20678  
Info: (301) 934-7628  
Email: [danettec@charles.cc.md.us](mailto:danettec@charles.cc.md.us)  
Internet: [www.telecommutesomd.org](http://www.telecommutesomd.org)

Waldorf  
Waldorf InTeleWork Center  
128 Smallwood Village Shopping Center  
Waldorf, MD 20602  
Info: (301) 934-7628  
Email: [danettec@charles.cc.md.us](mailto:danettec@charles.cc.md.us)  
Internet: [www.telecommutesomd.org](http://www.telecommutesomd.org)

## Virginia

Fairfax City  
GMU Telecommuting & Training Center  
4031 University Drive; 1st Floor  
Fairfax, VA 22030  
Info: (703) 279-3301  
Email: [telework@gmu.edu](mailto:telework@gmu.edu)

Herndon  
GMU Telecommuting & Training Center  
768 Center Street  
Herndon, VA 22170  
Info: (703) 279-3301  
Email: [telework@gmu.edu](mailto:telework@gmu.edu)

Loudoun County  
GMU Telecommuting & Training Center  
100 Carpenter Street, Ste 103  
Sterling, VA 20166 Info: (703) 279-3301  
Email: [telework@gmu.edu](mailto:telework@gmu.edu)

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Manassas  
9500 Godwin Drive: Building 105  
Manassas, VA 20110  
Info: (703) 367-3600  
Email: [no.commute@lmco.com](mailto:no.commute@lmco.com)  
Internet:  
[www.lmco.com/manassas/telecommute](http://www.lmco.com/manassas/telecommute)

Winchester  
13 North Loudoun Street  
Winchester, VA 22601  
Info: (540) 678-1909 x226  
Email: [info@svtbc.com](mailto:info@svtbc.com)

Spotsylvania County  
10799 Columbia Drive  
Fredericksburg, VA 22408  
Info: (540) 710-5001  
Email: [jtalcott@radco.state.va.us](mailto:jtalcott@radco.state.va.us)  
Internet: [www.radco.state.va.us/telecomm](http://www.radco.state.va.us/telecomm)

Stafford County  
2721 Jefferson-Davis Highway, Suite 11  
Stafford, VA 22554  
Info: (540) 710-5001  
Email: [jtalcott@radco.state.va.us](mailto:jtalcott@radco.state.va.us)  
Internet: [www.radco.state.va.us/telecomm](http://www.radco.state.va.us/telecomm)

*Note: A new telecenter is scheduled to open along the I95 corridor in the Woodbridge area in early 1999.*

## West Virginia

Jefferson County  
401 South Fairfax Blvd.  
Ranson, WV 25438  
Info: (304) 728-3051 x252  
Email: [welcome@jctc.org](mailto:welcome@jctc.org)  
Internet: [www.jctc.org](http://www.jctc.org)

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website:

[www.gsa.gov/pbs/owi/pilot.htm](http://www.gsa.gov/pbs/owi/pilot.htm)

# B eing A Telecommuter

To be a successful telecommuter, you will need to learn to deal with less structure and more freedom in completing your work. Telecommuting is not as simple as staying at home and working. It requires careful planning and discipline. The following section has been designed to provide you with some basic tools for working at home and maintaining or increasing your level of productivity, and the quality, quantity, and timeliness of your work product.

## Getting Organized

If you take the time to develop good work habits from the first day that you start telecommuting, you will realize that it can be easy to get your work completed away from the office.

### Pick a work location.

It is very important that you identify a safe location in your home as your work space. You do not need to devote a whole room to your work station. Some telecommuters have successfully developed part of an existing room, a garage, an attic, and even a closet into their work station. Make sure that your work station is safe and separated from other areas.

### Establish a routine.

Try to set a work schedule for the days you telecommute and stick to it as much as possible. Start and stop working at the same hours on telecommuting days. This will help establish a work routine for you.

### Replace the ritual of getting ready for the office.

As a telecommuter, you will no longer have the traditional office rituals of morning conversations, coffee, a suit and tie, or even the long dreadful commute that will symbolize the beginning the work day. You may need to come up

**“ One man we know would dress in a coat and tie, get into his car and drive around the block before going back into the house to start his day.”**

**Los Angeles Times  
June 1989**

with some new rituals. Some telecommuters play specific music, or start working after the morning exercise or bike ride. Find a ritual that will work for you.

### **Make a to-do list for your work assignments.**

Develop a list of goals and assignments for the days that you telecommute. By the end of the day go over your list to see how much you have actually accomplished. Sometimes it is better to make this list the day before your telecommuting day, so that you can plan for all the resources that you will need at home. Schedule your work so you don't need assistance from others on your telecommuting days. Remember you may not have access to a fax machine, a photocopy machine, or even a computer at home. Plan your work accordingly.

### **Have an end of the day ritual.**

It is good practice to have some ritual in place that marks the end of the work day. Be creative.

## **Managing Your Work**

As a telecommuter, you will need to manage your work very efficiently. It is up to you to make sure you are as well informed and as hard working as you have always been.

### **Maintain contact with the office.**

Make sure that you are staying in touch with the office on days that you are telecommuting. Some telecommuters set up a buddy system with a trusted co-worker or a secretary in the office, whom they call once a day when they are tele-

# Being A Telecommuter

commuting. Check your messages on the days that you are telecommuting and return calls if possible. Don't fall out of touch just because you are telecommuting. Decide early in the day how accessible you want to be. As a telecommuter, you may have the luxury of actually working for three to four hours without any interruptions.

## Have an answering machine.

If you do not have voice mail in your office, it is recommended that you use an answering machine at home to pick up your messages when you are in the middle of a project or unavailable. You will also need to decide whether or not the secretary in your department should give out your home number as the number where you can be reached on a telecommuting day.



## Have a system at home.

Establish a system for organizing the work that you keep or do at home. Otherwise, you will end up with stacks and trails of paper everywhere.

## Stick to deadlines.

Make sure you are following the same rules for deadlines as in the office. Don't miss deadlines. If you are mailing reports, send them so they are at the office on the day that they are due or earlier. If you are sending your work via the computer over the phone lines, it should also be there on time.

## Keep your manager informed of your progress.

As a telecommuter, you will need to make sure that your supervisor or manager is kept informed on the status of your projects, your progress, or any difficulties you are having. Think of your manager as a customer you need to keep satisfied.

## Attend department gatherings.

Always attend department gatherings and group meetings. You don't want to become invisible just because you are telecommuting.

# **Training Family, Friends & Neighbors**

**To be taken seriously as a telecommuter, you will need to take telecommuting seriously yourself. Be careful not to create a bad image for telecommuters. You will need to train the people around you so you don't have too many interruptions.**

**The message is that you are at home working.**

**The first thing you will need to do is to let everyone around you know that you are working at home and you still have the same responsibilities that you normally have as an employee. You have the same objectives, the same goals, and the same deadlines; the only difference is that you can complete part of your assignments at home.**

**Decide on which type of interruptions are OK.**

**You should decide under what circumstances family or friends can actually interrupt your work to ask you questions, favors, or have you respond to an urgent need. You may want to develop some ground rules for your family when you are working at home. Some telecommuters actually have their families set the rules so that they can buy into the whole process. A family meeting might be a good time to raise some of these issues. You will also need to set some rules with neighbors and friends. Don't lose your cool! You should try to remain flexible. Sometimes the errand that someone may ask you to run may be the short break you need.**

**Set rules for the use of office materials, equipment, pens, papers, etc. in the home.**

**You may need to set some rules regarding the use of office supplies needed at your home work space. Decide on**

# Being A Telecommuter

issues such as whether the children may borrow pens, paper, stapler, etc. You may want to call your work space off-limits to other members in your household.

## Don't telecommute if there are problems at home.

It is best to avoid telecommuting on days when you know there will be distractions in the home. Additionally, if you have an elderly family member who needs care, or an infant or a toddler home during the whole day, it will be difficult to telecommute and complete any work. You might want to wait until you have additional help at home before you start telecommuting.



## Telecommuting is not a replacement for child care.

Do not assume that because you are at home working, you can also take care of the children. Telecommuting can allow you to have more flexibility in accommodating your child care needs but cannot really replace it. If you think you can take care of the kids and do your work, you might actually end up with two jobs instead of one, and this will prevent you from handling your County job in a professional manner.

## Developing Good Habits

Develop good habits when telecommuting and beware of indulgences.

### Pace yourself so you don't burn out.

Make sure you are taking enough breaks and you are not turning into a workaholic just because your work is always there. You must be able to start and end the work day in a

timely manner. Schedule a few breaks throughout the work day. On the other hand, don't develop bad work habits and do less work than before.

### **Watch out for bad habits.**

Watch out that the following habits don't creep up on you:

- ▲ Snacking too often
- ▲ Sleeping late
- ▲ Talking on the phone too long
- ▲ Watching too much TV
- ▲ Drinking
- ▲ Smoking
- ▲ Wearing your pajamas all day long
- ▲ Paying the neighbors too many visits
- ▲ Procrastinating

These habits are detrimental to telecommuting. Try to remove all the possible temptations so that you can conduct your work.

## **Review**

The key to successful telecommuting lies in being able to manage your work space, your job, your family members and others, and yourself. With some determination, discipline and commitment and by following the guidelines set for you in this document, you can make telecommuting work for you. Just remember there were rules that you followed in the office and you will need another set of rules for working in your home. It is your responsibility to make telecommuting work.

# Being A Telecommuter

Don't give telecommuting a bad name.

Don't run errands for everybody in the neighborhood just because you are at home.

Don't stay on the telecommuting program if it is not working for you. Telecommuting does not suit every person's lifestyle or job responsibilities.

## Ergonomics

Designing your workspace is an important step to insure success while working at your remote location. Spend time planning your workspace now, so you won't have to waste time later rearranging your office. The key components of your home office are:

### Your Desk

The height of the work surface should satisfy the requirements of the most critical task. Conventional desk surfaces are usually about 29 inches high which can be perfectly adequate for many tasks. A common height recommended for computing surfaces is approximately 26 inches. Be sure your desk is a comfortable height for you.

### Your Chair

This is probably the most important piece of furniture in the office, so it should be selected carefully. The seat should be adjustable and the height of the top surface of the seat to the floor should be 15 to 21 inches. Both the height and angle of the backrest should also be adjustable. It should also provide support at the back of your waist. Armrests should be substantial enough to provide support, but not so large as to be in the way. Find a chair that's comfortable for you.

### Lighting

The lighting in an office can affect comfort, visibility, and performance. Whether you are using natural daylight or



artificial lighting, it should be directed toward the side or behind your line of vision, not in front or above it. Bright light sources can bounce off working surfaces and diminish your sense of contrast. Northern daylight is the best light for your office and for operating a computer.

## **Electricity**

When configuring your work space, be alert to the electrical support needed for your equipment. Arrange the hardware as follows:

- ▲ Cover interconnecting cables or make sure they are placed out of the way to avoid the possibility of tripping over them.
- ▲ Place the equipment in close proximity to electrical outlets. If using a computer, or a fax machine, connect it to a surge protector/master switch.
- ▲ Place heavy items on sturdy stands close to walls.
- ▲ Provide sufficient air space around the computer components. Keep equipment out of direct sunlight and away from heaters.

## **Noise**

A totally noise-free environment can be stressful. Psychologically, some background sound (like music) can be beneficial in maintaining a level of productivity and reducing boredom. Your professional image may be affected by sounds of crying children, lawn mowers, vacuum cleaners, or barking dogs while you attempt to conduct business over the phone at home. You may be able to shut a door to eliminate noises. The use of a room divider or screen may prove useful in controlling the noise. Should you choose to use music in your home office, you may find that it helps you concentrate.

# Being A Telecommuter

## Do's

Have a work space at home.

Have a beginning of the day ritual.

Stick to the same schedule on telecommuting days.

Take breaks throughout the day.

Keep your work organized so you don't have paper everywhere at home.

Plan your work ahead for your telecommuting day.

Train family members and neighbors when you may be interrupted.

Avoid bad habits like overeating.

Call the office and keep in touch as often as necessary.

Stick to all deadlines.

Maintain or increase your level of performance.

Take telecommuting very seriously.

Attend department and group meetings.

Keep your boss informed of the progress you are making.

Have some type of end of work day ritual such as a walk around the block.

If telecommuting works well for you, talk to your supervisor or

25.

**"I love my commute. It's about 50 feet."**

**Computerland Magazine  
September 1988**

**manager about increasing the number of days you can telecommute.**

**If telecommuting is not working for you, talk to your supervisor or manager. See if you can jointly find ways to solve the problem(s) that you have been encountering. If the problems persist, you may want to consider going off the program. Remember that your participation in the telecommuting program is entirely voluntary.**

## **Don'ts**

**Don't procrastinate or develop bad work habits at home.**

**Don't change your work schedule every time that you telecommute.**

**Don't let the radio or TV distract you or impair your professional image.**

**Avoid working at home if you are not getting along with your spouse.**

**Don't work at home if you have an infant, a toddler, or an elderly person who requires your constant care and attention.**

**Don't take work home that requires group decisions or constant input from co-workers.**

**Don't run to the refrigerator too often.**

**Don't start sleeping late on telecommuting days.**

**Don't stay in your bed clothes all day long.**

# Supervising Telecommuters

## Management Skills

To be successful at supervising your remote employees, you will need to use the management skills with which you currently manage your employees who work in the office. The skills which you will rely upon the most frequently are:

### **Assisting remote employees in organizing their work.**

Understand the time frames involved in completing tasks, and the resources required to see the projects through to completion. By using your planning skills as a supervisor, you will be successful in effectively distributing work among your employees and feeling confident that they will be capable of completing whatever tasks you will be assigning.

### **Assigning work to the employees.**

Establish a means of communicating to employees the expected end product as well as the due date, the anticipated quality, and any other criteria which might affect the successful completion of the individual tasks on which the employees will be working.

The means by which you communicate what needs to be done, when it needs to be completed, and by whom it needs to be done may take the form of a phone call, a weekly face to face meeting, or a written memo. Use whatever means of communication is most comfortable for you. As a manager of remote employees, your valuable time spent communicating with the remote workers will dictate the caliber of work which they produce. You need to spend time communicating very clearly and concisely what is expected of the telecommuting employees.

**“ Companies that do nothing but put a bunch of terminals in peoples' homes and not much else will create chaos. There has to be a well-planned effort to manage these people and make sure they are still part of the office.”**

**Alan Jay Weiss, President  
Summit Consulting Group**

### **Establishing timeframes.**

Work with your employees in developing attainable timeframes. The employees will clearly understand what the workload is and will be more focused in their work if they are following a timetable. The timetable is a list of the tasks which need to be completed and the times by which those tasks need to be accomplished.

### **Reviewing status.**

Establish intermediate review periods to determine the progress on the tasks which the employees are performing. The intervals for assessment may be at particular points during the project, upon completion of certain tasks or on a recurring basis, such as once a week on Monday.

### **Coaching and developing employee's capabilities.**

Make the most of the time you spend with your remote ployees because your time together is limited. Always reinforce positive behavior. Bring unsatisfactory performance to the employee's attention immediately and develop the capabilities in your employees to correct whatever deficiencies they may have. Use the communications tools available to you to provide your employees with timely and ongoing feedback whether that be via voice mail, electronic mail, a phone call, or a face to face meeting.

You should already be familiar with these skills and be using them while supervising your employees located in the office. You will find that refining these management skills will not only benefit your remote workers, but you as well. You will be pleased to experience a greater degree of organization and the capability of actually being able to accomplish more tasks by using these skills. Organization leads to increased job satisfaction.

# Supervising Telecommuters

## Management Methods

Managing employees from a remote location isn't new. To ensure the success of your telecommuting program, be aware of the following tips and traps:

- ▲ Managing by closely supervising isn't necessarily good supervision. You can achieve good supervision without being in close proximity. You will be managing by objectives and results instead of managing by observation.
- ▲ In order for the telecommuters to succeed at telecommuting, you need to succeed at supervising. This is a win-win situation for you and your employees.
- ▲ Understand that there is resistance to managing employee from a remote location. That resistance does not translate to an impossible obstacle or unachievable goal.
- ▲ It's all right for employees to drop out of the program. This arrangement is not cast in concrete.



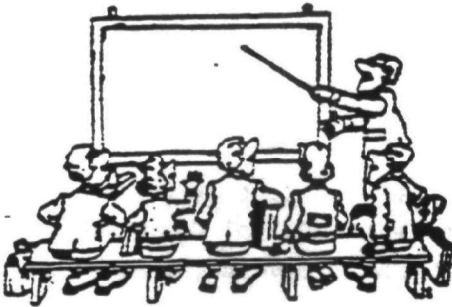
Being aware of some of the adjustments involved with telecommuting will give you an edge in finding resolutions to concerns, prior to those concerns becoming problems. This program brings a tremendous amount of flexibility into your working environment. Take advantage of that flexibility.

## Managing By Objectives

MBO is a management tool which affords you and your employees the opportunity to clearly communicate your expectations as a supervisor and the employee's expectations as a telecommuter. You may find that this tool is so successful that you implement it as a means of managing all of your employees! Implementation of MBO's can be accomplished as follows:

- ▲ **Prepare an itemized list of what you expect from the employee. This list can be organized on a weekly basis, monthly basis, or a quarterly basis. You have the flexibility to establish objectives in a format which will be easy for you to administer.**
- ▲ **Include the telecommuter in the process of establishing objectives. This allows the employee to provide valuable input in defining expected results.**
- ▲ **Be very explicit about what you expect from the employee. Establish a matrix or graph and clearly define what the telecommuter needs to accomplish.**
- ▲ **Create a document to support your telecommuting arrangement. You can treat this document as an agreement between you and the telecommuter covering what is expected of the telecommuter.**
- ▲ **Track the results. If you are establishing weekly objectives, schedule a meeting in a week to review the telecommuter's accomplishments. Use this as a dynamic document, capable of being changed whenever necessary. This document will enable you and the telecommuter to instantly determine whether or not your telecommuter is successful. Maintain a copy of the objectives for your file and make a copy for the employee to keep. Employees feel more control over their destiny if they too can track their success.**

**This management tool will provide you the capability of managing the products which your employees produce, not the process they employ to reach the goal. In many instances, your focus should not be on how the employee accomplishes the task, but instead on the quality, quantity, and timeliness of the completed work product.**



▲ **Team effort**

The non-telecommuters are as critical to the program's effectiveness as the telecommuters. Your work group's success depends upon the efforts of all the members of the team.

▲ **Support strategies.**

The non-telecommuters shouldn't be expected to do extra work in the office while the telecommuters are working from their remote locations. Establish mutual strategies which will support both the non-telecommuters and the telecommuters.

▲ **Communications links.**

Establish guidelines for contacting the telecommuters when an issue arises in the office which requires immediate action. Don't expect the non-telecommuters to work on their own assignments as well as handling problems for telecommuters, while the telecommuters are working from their remote location.

Establish procedures for answering the telecommuter's phones while they are telecommuting. Include the secretaries and receptionists in the process of formulating what they will say when they answer the phone. Refrain from advising incoming callers, "Ms. Jones is at home today." Instead, use the phrase, "Ms. Jones is working from another location at this time. I'll be happy to have her return your call as soon as she is able."

Instruct the telecommuters to call the office at regular intervals. Determine whether it will be the telecommuters' responsibility to call the secretary for messages, or if it will be the secretary's responsibility to call the telecommuter with messages. Provide the secretaries and receptionists with a list of the telecommuter's home phone numbers. Your department may find that forwarding the telecommuter's

# Supervising Telecommuters

**“ We have to break through the idea that an executive is a person who drives 33 miles a day to a central location where hundreds or thousands of people work in cubicles and , unless you go there, nothing gets done.”**

**Alvin Toffler**

lines to voice mail is a satisfactory method of insuring that their calls are answered without adding extra work for the secretaries and receptionists.

Keep a log of the incoming calls answered by the secretary or receptionist for the telecommuter. This will assist you in determining how much extra work has been generated as a result of the telecommuting program. The log will also provide documentation showing when the call came into the office, and when it was passed to the telecommuter.

- ▲ **The existing social network.**  
The non-telecommuters must understand that the social interaction within the office will change with the advent of telecommuting. Their best buddy with whom they share coffee breaks and lunch hours may no longer be available to spend that time with them. The non-telecommuters will no doubt experience an unbelievably quiet environment when the program first begins.
- ▲ **Contingency plans.**  
Establish Murphy's Law strategies to guide the work group through every "what if" situation which may exist. Address all issues pertinent to the team as a whole. Encourage the telecommuters and non-telecommuters to jointly participate in this exercise.

## **What happens if it is not working?**

You and the telecommuter must understand that not everyone who tries telecommuting is successful. However, many problems encountered by telecommuters can be resolved with your assistance.

Some problems the telecommuter may face are:

- ▲ **Uncontrollable distractions.**  
The neighbors and the family just don't understand that

while the employee is at home he is unavailable for other activities.

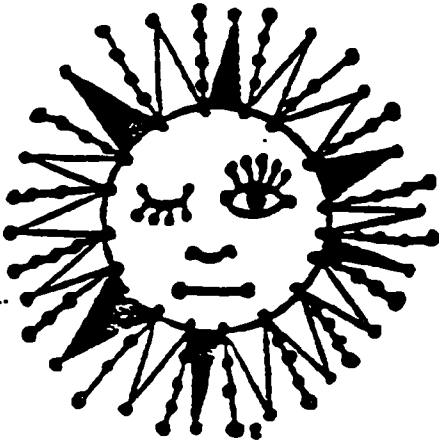
- ▲ **Cabin fever.**  
Being at home 24 hours a day becomes unacceptable.
- ▲ **Productivity and/or quality of work.**  
The employee's productivity and/or the quality of the employee's work has declined since the employee has been participating in the telecommuting program.
- ▲ **Desire or need to be around people.**  
The employee discovers the need for social interaction is a critical factor in her life.

Should the telecommuter experience any of these or other problems, review the information in this handbook on how to successfully telecommute, and try to help the telecommuter isolate his problem. Continue working with the telecommuter until the difficulty has been overcome.

If it becomes apparent that the employee must terminate participation in the project, don't hold a grudge against that employee because he was not successful in his efforts. Help the employee to understand that he is of value to the organization and bring him back into the office as quickly as possible.

As a last resort, consider bringing the telecommuter back into the office full time.

# **S**upervising Telecommuters



## **A Bright Future For Telecommuters**

**A key concern for telecommuters is less visibility and its impact on upward mobility in the organization. Here are some points to assist you as a supervisor in maintaining high visibility for your telecommuters:**

### **Monitor employee performance.**

**Look for above average performance among the telecommuters.**

### **Encourage your employees to set higher goals.**

**Assign more complex projects which will assist in developing your employee's skills.**

### **Communicate.**

**Advise the upper echelon in your organization of the telecommuter's achievements.**

### **Ensure visibility.**

**Take advantage of "opportunity assignments" and have the telecommuters participate in those assignments. When the opportunity arises for presentations, be sure to include the telecommuters.**

**Don't forget about your telecommuters just because they are not in the office. Out of sight is not out of mind!**

# Review

**Always keep in mind that good communication skills are the backbone of a successful telecommuting program.**

- ▲ Talk to your telecommuters.**
- ▲ Use your effective listening skills when exchanging information with your remote workers.**
- ▲ Include your subordinates in activities which are taking place in the office while they aren't there. For example, when you celebrate a birthday in the office, include your telecommuters on a speaker phone when you sing "happy birthday" to the celebrant. This will make your telecommuters feel like they are a part of the day to day world in your organization.**
- ▲ Frequent communication with your telecommuters will enable you as the manager to maintain the appropriate guidance and direction with your employees.**
- ▲ Keep the avenue open for reciprocal communications from your telecommuters. This will assist the telecommuters in avoiding feelings of isolation.**
- ▲ Bring your telecommuters back into the office at regular intervals. As a manager, you can assign core days for your telecommuters to be in the office. The core days will be great opportunities for team meetings.**

**The telecommuting program for the County of Los Angeles is extremely flexible. Take advantage of that flexibility, for it will assist you in achieving success in your telecommuting efforts. Happy telecommuting!**

# **S**upervising Telecommuters

## **Do's**

**TRUST your telecommuter.**

**Encourage good organizational skills.**

**Develop your telecommuter.**

**Require participation in the surveys and evaluation process.**

**Encourage goal setting.**

**Give appropriate and timely feedback.**

**Take the time to plan.**

**Manage by measuring results.**

**Communicate regularly.**

**Use telecommuting as an opportunity to strengthen your management skills.**

**Be flexible and use your creativity to achieve optimum results from the program.**

**Expect changes.**

**Take telecommuting very seriously.**

**Delegate assignments equitably among your telecommuters and your non-telecommuting employees.**

**Plan meetings when your telecommuters can participate.**

**Include your telecommuters in day to day activities.**



Schedule regular status reports.

Be prepared if telecommuting does work well to allow the employee greater frequency of telecommuting.

Be prepared if telecommuting doesn't work well to allow the employee to terminate participation in the program.

## Don'ts

Don't conduct curfew checks.

Don't call your telecommuter every hour to check on progress.

Don't ignore your telecommuter.

Don't ask for constant status reports.

Don't set unrealistic deadlines for projects.

Don't neglect problems.

Don't set unattainable goals.

Don't manage by closely supervising.

Don't expect perfection; there will be adjustments.

Don't give telecommuting a bad name.

Don't expect everyone to be a successful telecommuter. Allow the unsuccessful telecommuter to terminate participation in the program.

# **TELECENTER BILLING PROCEDURES**

- ◆ Procedures for submitting standard GSA Form (Telecommuting Reimbursement Sheet)
- ◆ Standard GSA Form – sample – spaces completed with generic information
- ◆ Standard GSA Form - blank

## **TELECENTER BILLING PROCEDURES**

Billing procedures to be followed for each employee authorized to use a GSA telecenter

### **I. Actions to be completed PRIOR to submitting the GSA form to the Office of Facilities**

A management representative from the AA-ship (e.g. P.O., Flexiplace Coordinator, etc) will assure that the following actions/documentation is complete PRIOR to forwarding the billing form to Facilities:

A. Basic Flexiplace documentation – assure that basic documentation is complete as required by Flexiplace policy 3180, AFGE agreement and/or NETU agreement.

B. Management approval of telecenter use – assure that basic documentation includes approval of a specific telecenter location, and telecenter schedule.

C. Select telecenter, schedule and confirm selection with Local Telecenter Coordinator – assure that local telecenter coordinator has been contacted by phone, and has confirmed the proposed use of telecenter space and telecenter schedule. NOTE: All telecenters and coordinators are listed as an attachment to the basic GSA Form - "Telecommuting Facility Reimbursement Information Sheet". In addition, all telecenters, local coordinators, prices, and individual center website are listed at: [www.gsa.gov/pubs/owi/pilot.htm](http://www.gsa.gov/pubs/owi/pilot.htm)

### **II. Complete GSA Form ("Telecommuting Facility Reimbursement Information Sheet").**

A. Complete GSA Form and deliver to Robert H. Garrison, Facilities, 3204, voice:260-8226, FAX-260-6519, Email: [garrison.robert@epamail.epa.gov](mailto:garrison.robert@epamail.epa.gov) .

(1) Mr. Garrison will review the GSA-form, obtain signature approve, and return a COPY to the AA-rep.

(2) The completed COPY must be presented by the employee to the local GSA Telecenter Coordinator.

(3) The ORIGINAL will be forwarded by Facilities to the GSA Central Office.

B. Sample GSA-Form – attached.

A completed sample GSA-Form is attached. All spaces are completed EXCEPT those pertaining to a specific telecenter, telecenter schedule, and telecenter costs.

**C. Blank GSA-Form – attached**

A bank form is also attached. Directions for completion are contained in the form. In addition, directions for completion of the standard information required by Facilities is as listed below. The GSA-Form is also available at the GSA website.

**Directions for completion of the GSA-Form**

**Block #**

1. Request Date -
2. GSA Use Only
3. U.S. Environmental Protection Agency
4. Telecommuting Work Site - As appropriate
- 5A. Agency Contact - Robert H. Garrison
- 5B. Contact Telephone Number - (202) 260-8226
- 5C. Contact Fax Number (202) 260-6519
- 5D. E-mail ----garrison.robert@epa.gov
- 5E. Contact Address ---- USEPA (3204), 401 M Street, SW, DC 20460
6. Flexible Workplace Program Summary

**Check as Appropriate**

7. New User
8. Amendment
- 9A. Billing Type ----N/A
- 9B. Billing Terms ---- Y
10. Requested Service Dates
  - A. Start -----
  - B. Completion -
11. Agency Certification Amount --- Total fee for use of particular telecommuting center
- 12A. Agency Location Code ---N/A
- 12B. Agency ID # -----N/A
- 12C. Fund Code -----N/A
- 12D. Agency Accounting Data  
9900 B 51E4 A0301G 23.31 NW4053
- 13A. Fed Code -----N/A
- 13B. Bureau Code -----6800
- 14A. Agency Finance Billing Address -  
USEPA Accounting Operations Office

14B. Street Address        26 West Martin Luther King Avenue  
14C. City                    Cincinnati  
14D. State                   OH  
14E. Zip Code               45268  
15A. Certifying Official's Signature  
15B. Date  
15C. Name of Signer - Rich Lemley  
16A. Credit Card Number -----N/A  
16B. Exp. Date -----N/A  
16C. Type of card -----N/A  
16D. Card Holder Name -----N/A  
17. Certifying Official's Phone Number - (202) 260-2030

- ◆ **Standard GSA Form – sample – spaces completed with generic information**

## **Signing up to work in a GSA Telecenter is as E-Z as 1-2-3!**

1. Complete a Telecommuting Facility Reimbursement Information Sheet for each user. (All users must give a copy of their agency approved Information Sheet to the appropriate Telecenter Director. The sheet validates and approves reimbursement of telecenter services to GSA.)
2. Send a copy of the information sheet to **GSA, Public Buildings Service**  
**1800 F Street NW. - Room 4333**  
**ATTN: Penny Einarsen**  
**Washington, DC 20405**
3. Make reservations at a GSA Telecenter by telephoning the appropriate center director as follows:

<u>Maryland</u>		<i>1999 Weekly Fee (Flat rate for full-time use)</i>	<i>1999 Monthly Fee (Flat rate for full-time use)</i>	<u>Virginia</u>		<i>1999 Daily Fee (# days per week x fee)</i>	<i>1999 Monthly Fee (Flat rate for full-time use)</i>
<b>Bowie /Thurgood Marshall Library</b>		\$25	\$125	<b>Northern Virginia</b>			
Bowie State University 14000 Jericho Park Road Bowie, MD 20715 POC Joyce Larrick (301) 352-4390, FAX 352-4513				POC Larry Siegel (703) 279-3301			
<b>Frederick</b>				<b>Fairfax City</b>		\$52	\$260
7340 Executive Way, Suite Frederick, MD 21704 POC Bill Porter (301) 698-5904, FAX 696-2848		\$50	\$250	4031 University Drive, 1st Floor Fairfax, VA 22030 Fairfax, VA 22030			
<b>Hagerstown</b>				<b>Herndon (Mar 1998)</b>		\$52	\$260
11 North Potomac Street, Hagerstown, MD 21740 POC Mary Bray (301) 745-5601, Fax 745-5700		\$50	\$250	768 Center Street Herndon, VA 22070			
<b>Southern Maryland</b>				<b>Loudoun Co</b>			
POC Danette Campbell (301) 934-7628, Fax 934-7686				100 Carpenter Street, Ste 103 Sterling, VA 20166		\$52	\$260
<b>Calvert InTeleWork Center</b>		\$54	\$270	<b>Manassas</b>			
110 S Solomon's Island Rd Prince Frederick, MD 20678				Darryl Dobberful (703)367-3000, Fax 367-0126 9500 Godwin Drive, Building 105 Manassas, VA 22110		\$40	\$200
<b>Waldorf InTeleWork Center</b>		\$54	\$270	<b>Fredericksburg/Woodbridge</b>			
128 Smallwood Village Shopping Center Waldorf, MD 20602				POC Jennifer Alcott (540) 710-5001, Fax 710-5004			
<b>National Guard Learning Cntrs</b>		\$25	\$125	<b>Spotsylvania County</b>		\$52	\$260
(410) 429-4514, FAX 429-2986 POC Renee Thrower Laurel 8601 Odelle Road Laurel, MD 20708		\$25	\$125	10799 Columbia Drive Fredericksburg, VA 22408			
<b>Reisterstown</b>		\$25	\$125	<b>Stafford County</b>		\$52	\$260
Camp Fretterd 13610 desert Storm Lane Reisterstown, MD 21136		\$25	\$125	2721 Jefferson Davis Highway Stafford, VA 22554			
<b>(Bowie) White Oak</b>		\$25	\$125	<b>Woodbridge</b>		\$98	\$490
12200 Cherry Hill Road Silver Spring, MD 20904 POC Joyce Larrick (301) 352-4390, FAX 352-4513				13546 Minnieville Road Woodbridge, VA 22192			
				<b>Winchester</b>		\$52	\$260
				13 North Loudoun Street Winchester, VA 22601 POC Linda Whitmer (540)678-1909, Fax 678-1939			
				<b>West Virginia</b>		\$77	\$385
				<b>Jefferson County</b>			
				401 South Fairfax Blvd Ranson, WV 25438 POC Pete Smith (304) 728-3051, FAX 728-3068			

## **Washington DC Area Telecenters**

### **FY99 Pricing Structure & Billing Procedures FY99 Pricing**

1999 daily and monthly fees, as listed on the previous page, are set to 50% of the operating cost per workstation. These fees are subject to change at the beginning of FY2000 with the user agencies paying 100% of the operating cost per workstation. (This new pricing structure aligns with language included in PL105-277, The FY99 Omnibus Bill.)

### **Billing Procedures & Responsibilities**

1. User agencies will provide GSA and the appropriate telecenter director with a completed Telecommuting Facility Information Sheet for each user.
2. The user agency will pay the basic fees for the agreed workstations as described in the Telecommuting Facility Information Sheet(s). A 30-day written notice must be given for any fee adjustments. The user agency will continue being billed until the center director is notified of the termination by the user or user agency.
3. Additional workstations may be added at any time, however, an updated Telecommuting Facility Information Sheet must be submitted to GSA and the telecenter director(s) prior to the user occupying the telecenter.
4. At the beginning of each month, the telecenter director will compute the user fees and forward them to the GSA, Finance Office or charge them to the agency credit card as authorized in the Telecommuting Facility Information Sheet.

<b>TELECOMMUTING FACILITY REIMBURSEMENT INFORMATION SHEET</b>				1. REQUEST DATE	2. CONTROL NUMBER(GSA Use only)
3. AGENCY NAME U.S. ENVIRONMENTAL PROTECTION AGENCY				4. TELECENTER WORK SITE	
5A. AGENCY CONTACT ROBERT H. GARRISON					
5B CONTACT TELEPHONE NO	AREA CODE 202	PHONE NUMBER 260-8226	EXT n/a	5E CONTACT ADDRESS USEPA (3204) 401 M Street, SW, DC, 20460	
5C CONTACT FAX NUMBER	AREA CODE 202	PHONE NUMBER 260-6519		5D E-MAIL garrison.robert@epamail.epa.gov	

6 FLEXIBLE WORKPLACE PROGRAM SUMMARY. List fees and usage below (30-days notice is required for fee adjustments related to unused workstation days)

EMPLOYEE NAME	WEEKLY USAGE					MONTHLY COST (\$'S)
	MON	TUE	WED	THU	FRI	

TOTAL COSTS:

1) This payment document will be submitted to GSA on an annual basis. 2) The user will give the center director 30-days notice prior to vacating a telecenter or requesting fee adjustments and notify the appropriate user agency personnel. 3) The telecenter director will notify GSA of the use termination by signing in Section 18 and forwarding a copy of this document to GSA, PBS, Business Performance.

CHECK AS APPROPRIATE		10 REQUESTED SERVICE DATES		13A. FED CODE	13B. BUREAU CODE
<input checked="" type="checkbox"/>	7. New User	A. START:		n/a	6800
<input checked="" type="checkbox"/>	8. Amendment	B. COMPLETION:		14A. AGENCY FINANCE BILLING ADDRESS USEPA Accounting Operations	
9A. BILLING TYPE n/a	9B. BILLING TERMS Y	11. AGENCY CERT. AMT.		14B STREET ADDRESS 26 West Martin Luther King Ave.	
12A AGENCY LOCATION CODE n/a	12B AGENCY ID # n/a	12C FUND CODE n/a		14B CITY Cincinnati	14C STATE OH
12D. AGENCY ACCOUNTING DATA: (LIMITED TO 60 CHARACTERS)				14D ZIP CODE 45268	16B EXP DATE
9900 B 51E4 A0301G 23.31 NW4053				16A. CREDIT CARD NUMBER n/a	n/a

<b>15A. CERTIFYING OFFICIAL'S SIGNATURE</b> Rich Lemley, Director, Facilities Mgmt & Services Div-3204	<b>15B DATE</b>	<b>16C TYPE OF CARD</b> <i>(i.e., VISA)</i> n/a	<b>16D CARD HOLDER NAME</b> (TYPE OR PRINT) n/a	
<b>15C NAME OF SIGNER</b> <i>(Type or Print)</i>		<b>17 CERTIFYING OFFICIAL'S PHONE NUMBER</b>		
		<b>AREA CODE</b> 202	<b>PHONE NUMBER</b> 260-2030	<b>EXT</b> n/a

**GSA & Center Director Records:**

<b>18 CENTER DIRECTOR TERMINATION SIGNATURE</b>	<b>POINT OF SALE TERMINAL</b> <i>(For Credit Card Purchases Only)</i> <input checked="" type="checkbox"/> <b>A. FINANCE</b> <input type="checkbox"/> <b>B.</b> <b>PBS</b>	
	<b>SIGNER'S NAME</b> <i>(Type or Print)</i>	<b>25C DATE</b>

**KEEP A COPY FOR YOUR RECORDS AND FORWARD COPIES TO:**

- 1) YOUR OBLIGATING/PAYING OFFICE
- 2) GSA (Business Performance, 1800 F Street NW, Washington, DC 20405  
attn: Penny Einarsen, Room 4333)
- 3) Telecenter User

**Instructions For Completing the Telecommuting Facility Information Sheet**

- 1 Enter Date of request.
- 2 Leave Control Number Blank GSA Use Only
- 2 Enter name of Agency requesting telecenter use
- 2 Enter telecenter location name & building #

**Telecenter Name & Building #'s:**

<b>MARYLAND</b>		<b>VIRGINIA</b>	
Calvert County	MD0459ZZ	Winchester	VA0547ZZ
Charles County			
Hagerstown	MD0460ZZ	Spotsylvania	VA0559ZZ
Bowie	MD9999ZZ	Stafford	VA0567ZZ
Frederick	MD0476ZZ	Manassas	VA9999ZZ
Laurel/ Reistertown	MD9992ZZ	George Mason (Herndon & Reston)	VA9994ZZ
		Fairfax City	VA9993ZZ
		Sterling	VA9992ZZ

- 5a-e Enter information regarding the individual responsible for agency employee(s) telecenter coordination
3. Enter a concise statement of workstation used, fees and total projected monthly costs
- 7 Check if new information sheet
- 8 Check if submittal is a modification to an existing AGREEMENT or information sheet
- 9a Enter billing type: C = Credit Card
- 9b Enter billing terms A = Advance, C = At completion, M = Monthly, Q = Quarterly, T = At Termination,  
Y = Annually (in arrears),
- 10a-b Enter agreed upon project start and completion dates
11. Enter the total dollar amount approved for funding. Must match GSA's established telecenter fees
- 12a Enter the eight (8) character agency location code (Treasury Pay-station Designator)
- 12b Enter the appropriate agency identification number
- 12c Enter the appropriate agency fund code
- 12d Enter agency accounting information (Limited to 60 characters)
- 13a Enter the agency Fed Code 13b. Enter the agency bureau code
- 14a-d. Enter the appropriate billing address information
- 15a-c Enter signature, name and date of agency's authorized representative, certifying the validity of order and the availability of funds
- 16a Enter Credit Card Number (Or phone the appropriate GSA official with this information)
- 16b Enter expiration date
- 16c Enter type of Card 16d Enter Card Holder's name
- 17 Enter the certifying official's phone number
- 18 Telecenter Director signs here when user vacates workstation

**GSA Portion**

Enter the Point of Sale Terminal (For Credit Card Purchases Only)

◆ **Standard GSA Form - blank**

<b>TELECOMMUTING FACILITY REIMBURSEMENT INFORMATION SHEET</b>				1. REQUEST DATE	2. CONTROL NUMBER(GSA Use only)
3. AGENCY NAME				4. TELECENTER WORK SITE	
5A. AGENCY CONTACT					
5B. CONTACT TELEPHONE NO	AREA CODE	PHONE NUMBER	EXT	5E. CONTACT ADDRESS	
5C. CONTACT FAX NUMBER	AREA CODE	PHONE NUMBER		5D. E-MAIL	

6. FLEXIBLE WORKPLACE PROGRAM SUMMARY · List fees and usage below (30-days notice is required for fee adjustments related to unused workstation days)

EMPLOYEE NAME	WEEKLY USAGE					MONTHLY COST (\$'S)
	MON	TUE	WED	THU	FRI	

TOTAL COSTS:

1) This payment document will be submitted to GSA on an annual basis. 2) The user will give the center director 30-days notice prior to vacating a telecenter or requesting fee adjustments and notify the appropriate user agency personnel. 3) The telecenter director will notify GSA of the use termination by signing in Section 18 and forwarding a copy of this document to GSA, PBS, Business Performance

CHECK AS APPROPRIATE		10. REQUESTED SERVICE DATES		13A. FED CODE	13B. BUREAU CODE	
<input type="checkbox"/>	7. New User	A. START:		14A. AGENCY FINANCE BILLING ADDRESS		
<input type="checkbox"/>	8. Amendment	B. COMPLETION:				
9A. BILLING TYPE	9B. BILLING TERMS	11. AGENCY CERT. AMT.		14B. STREET ADDRESS		
12A. AGENCY LOCATION CODE	12B. AGENCY ID #	12C. FUND CODE		14B. CITY	14C. STATE	14D. ZIP CODE
12D. AGENCY ACCOUNTING DATA: (LIMITED TO 60 CHARACTERS)				16A. CREDIT CARD NUMBER		16B. EXP DATE
15A. CERTIFYING OFFICIAL'S SIGNATURE				16C. TYPE OF CARD (i.e., VISA)		16D. CARD HOLDER NAME (TYPE OR PRINT)
				17. CERTIFYING OFFICIAL'S PHONE NUMBER		
15C. NAME OF SIGNER (Type or Print)				AREA CODE	PHONE NUMBER	EXT

GSA & Center Director Records.

POINT OF SALE TERMINAL (For Credit Card Purchases Only)

☒ A. FINANCE

☐ B.

PBS

18 CENTER DIRECTOR TERMINATION SIGNATURE

SIGNER'S NAME (Type or Print)

25C DATE

**EPA Non-Bargaining  
Employees Program**

**EPA**

**FLEXIPLACE POLICY**

**3180**

**12/23/97**

**Environmental Protection Agency  
401 M Street, S.W.  
Washington, D.C. 20460**

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## FLEXIPLACE

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### I. Definition

The Flexible Workplace Program (Flexiplace) provides employees the opportunity to work at a place other than the regularly assigned work site such as satellite locations or their residences. **Flexiplace is a work arrangement that is discretionary on the part of management, and voluntary on the part of the employee.** Participation in Flexiplace is NOT an employee right or entitlement. There are three types of Flexiplace arrangements at EPA:

1. **Regular.** Work is scheduled in advance and performed at the alternate workplace on a regular and recurring basis. Normally, employees will be scheduled to work no more than two days per week outside of the office.
2. **Episodic.** Available on an ad hoc, short-term basis to complete projects which are not regular or recurring in nature.
3. **Medical.** Designed to permit employees who have a temporary medical condition that precludes them from working at the conventional workplace to continue to be productive and accomplish work assignments that can be performed at a place other than the regularly assigned worksite. The medical condition shall be certified in a manner acceptable to the Agency.

**NOTE:** Medical Flexiplace assignments are made at the discretion of management. Medical Flexiplace is intended for employees who DO NOT have permanent medical conditions. Employees with health related problems resulting from sensitivity to the workplace, injury sustained at the workplace, or chronic, non-workplace related health problems CANNOT use Medical Flexiplace as an arrangement for their condition. Instead, the employee should contact his/her servicing Human Resources Office for advice on the appropriate program to address their health condition.

---

### II. Purpose

The Federal Government promotes telecommuting programs such as EPA's Flexiplace program to address the Government's challenges of: improving customer service, reducing energy consumption, safeguarding air quality, reducing traffic congestion, operating with limited funding, and meeting employee needs. EPA strives to make creative applications of new working arrangements such as Flexiplace available to the Agency's supervisors and

employees. Flexiplace may benefit the Agency and its employees by:

- providing a means of responding to rapidly changing factors that impact today's work force. such as demographic, societal and technological changes;
  - reducing employee turnover and absenteeism;
  - improving management techniques; and
  - responding to sociological and environmental issues.
- 

### **III. Scope**

This policy is based on Office of Personnel Management (OPM) and General Services Administration (GSA) guidelines. It applies to situations in which an employee will work at a Flexiplace worksite and covers all permanent full-time and part-time EPA employees except those on Intergovernmental Personnel Agreements (IPAs) and Interagency Agreements (IAGs). Public Health Service Officers may participate in Flexiplace in accordance with all applicable rules and regulations of the USPHS Commissioned Corps Personnel System. Employees on official travel may not participate in Flexiplace.

---

### **IV. Responsibilities**

Below are responsibilities for managers and employees.

---

#### **IV. A. AAs' and RAs' Responsibilities**

AAs and RAs must:

- decide on the application and use of Flexiplace assignments within their respective AAships or Regions. This includes determining which organizational elements and/or positions may participate in the program or be excluded from participation in the program.
  - ensure that appropriate management controls and reporting procedures are in place before employees begin Flexiplace assignments.
- 

#### **IV. B. Supervisors' Responsibilities**

Supervisors must:

- approve or disapprove the employee's participation in the program;
- approve or disapprove worksite arrangements (which must remain the same unless otherwise approved by the supervisor);
- assess the impact of the proposed Flexiplace assignment on the productivity of the office as a whole and on any other affected employees;
- assess the portability of the employee's work and the likelihood of the employee's successfully completing it away from the official duty station;

- develop or amend performance standards and measurements, if necessary, for work performed away from the official duty station;
  - provide equipment, when necessary and available, for the employee to adequately perform assigned work;
  - complete required training;
  - maintain productivity records and information to evaluate the employee's performance and quality of work.
- 

**IV. C.  
Employees'  
Responsibilities**

**Employees must:**

- complete work agreements;
  - observe agreed-upon hours of work in accordance with established EPA policies;
  - observe Agency policies for requesting leave;
  - safeguard Agency equipment and use it only for official purposes;
  - complete the "Employee Self-Certification of Time and Attendance Report" (see Form 4 in attached Appendix) and return it to the supervisor on a biweekly basis;
  - serve as the designated official (employer representative) in charge of their off-site workplace, and therefore be responsible for compliance with appropriate health and safety regulations. As the designated official the employee must:
    - complete the "Employee Self-Certification Safety Checklist," which identifies significant safety standards that should be met and
    - return it to his/her supervisor prior to entering into a Flexible Workplace Program Agreement.
  - respond in a timely manner to Agency customers and to the public;
  - complete required training; and
  - if applicable, make proper arrangements for dependent care during work-at-home hours, before beginning the Flexiplace assignment.
- 

**IV. D. Program  
Coordinators'  
Responsibilities**

**Program Coordinators must:**

- ensure that all participating supervisors and employees are aware of their responsibilities;
- ensure that all participating employees receive training;
- maintain copies of all Flexiplace applications and workplace agreements; and
- monitor and evaluate the program.

**NOTE:** At his/her option, an AA/RA may establish this position and place it anywhere in the organization. However, if an AA/RA does not designate a coordinator, he/she must ensure that the administrative functions listed above are appropriately delegated and performed by one person.

---

**V. Guidelines** Below are guidelines for managers and employees.

---

**V.A. Eligibility Requirements for Regular Flexiplace** An employee participating in Flexiplace must:

- have received the supervisor's approval for participation;
  - have worked as an EPA employee for at least one year;
  - have at least a level 3 (currently known at EPA as "Fully Successful") performance rating as the most recent rating of record;
  - have portable work;
  - have clearly defined performance standards and measurements;
  - be willing to sign and abide by a written work agreement;
  - if working at home, be able to provide an appropriate work location with adequate space, access to a telephone, and without undue interruption which could impact productivity;
  - if applicable, be able to arrange for dependent care during the time the employee is working at home; and
  - have demonstrated to the satisfaction of the supervisor the ability to work independently.
- 

**V.B. Eligibility Requirements for Episodic Flexiplace** The requirements are the same as for Regular Flexiplace; however, the nature of the work will usually be a project or a discrete portion of a project that is of short duration, with measurable work products of an infrequent or occasional nature.

**NOTE:** It is recommended that employees with frequent public or internal client contact be eligible only for Episodic Flexiplace participation.

---

**V.C. Eligibility Requirements for Medical Flexiplace** The decision to approve an employee's participation in Medical Flexiplace is entirely that of the supervisor. The approval/disapproval will be based on the employee's ability to provide definitive, conclusive medical documentation concerning his/her temporary medical condition, and will include an expected return-to-work date. As a rule, temporary medical conditions would not continue for more than a few days to a few months. Supervisors may not leave

Medical Flexiplace assignments open-ended.

Medical documentation - The employee's physician must include a narrative description in the documentation that:

- clearly describes why a temporary change in work site would benefit the employee.
- lists restrictions that should be placed on the work performed at the alternative work site,
- summarizes the diagnosis,
- summarizes the prognosis, including expected return-to-work date, and
- discusses medical management (including how the temporary medical condition might interrupt the employee's work schedule).

To be considered for Medical Flexiplace, an employee's medical documentation must demonstrate that:

- the employee is unable to perform the duties of the position at the traditional work site because of temporary medical reasons.
- the employee is able to perform the duties of the position at an alternative duty station, and
- the employee will be able to return to the regular work site at a certain date.

Recertification - After six months in a Medical Flexiplace assignment, an employee must provide medical certification on the status of his/her medical condition to support continued participation.

**NOTE:** Supervisors managing employees on Medical Flexiplace assignments that continue for longer than six months should reconsider whether the condition is temporary and whether Medical Flexiplace is the appropriate Agency vehicle to address the condition. For clarification on this issue, supervisors should call the servicing Human Resources Office.

---

#### **V. D. Work Agreements**

Each employee must sign a work agreement that covers the terms and conditions of participation in the Flexiplace Program (see Form 1 in attached Appendix). The work agreement constitutes an agreement by the employee and his or her supervisor to adhere to the Program's policies. Supervisors must recertify an employee's work agreement at least once every 12 months (see Form 5 in the attached Appendix).

The work agreement covers the following items:

- agreement to release home telephone number to "customers" (applies only to employees working at home);
- voluntary nature of the arrangement;
- length of Flexiplace assignment;
- hours and days of duty for each duty station;
- location of the duty station;
- responsibilities for timekeeping, leave approval, and requests for overtime and compensatory time;
- performance requirements; and
- proper use and safeguards of Government property and records: standards of conduct, etc.

---

**V. E. Work Schedules**

Flexiplace work schedules must state the days and times an employee will work in his/her regularly assigned work setting and in the Flexiplace work site. Work agreements for Regular Flexiplace will normally provide for a minimum of three days per week at the official duty station. Work schedules may parallel those in the office or be structured to meet the needs of participating employees and their supervisors. However, employees must work schedules consistent with their offices' core work hours and may not work non-standard evening and weekend schedules. Supervisors must approve overtime and compensatory time in advance.

---

**V. F. Position and Performance Issues**

1. Position Descriptions. Changes to position descriptions are not necessary unless the Flexiplace arrangement changes the actual duties to be performed. Minor modifications may be made to reflect the supervisory controls or work environment factors.
2. Performance Standards. Critical elements and performance standards must have clearly defined performance requirements that are quantifiable, measurable and results-oriented. Explicit and objective "norms" for work output should be based on experience with those required and sustained in the office and monitored through scheduled and required progress reports.

---

**V. G. Records Management**

EPA employees are required to comply with the following guidelines on using records or duplicating records when working at Flexiplace locations. Compliance with these Flexiplace policies will protect the Agency and the employee in the event of litigation or investigation. During an investigation, all relevant records must be made available to investigators and auditors.

1. Any official record removed for Flexiplace assignments remains the

property of EPA. Additionally, any official record that is generated from Flexiplace assignments becomes the property of EPA.

2. An Employee must get written approval from his/her supervisor prior to taking official records to a Flexiplace work site. This approval will be for a stated period of time only. All official records that are moved from an office location to a Flexiplace work site will be documented in accord with applicable procedures or requirements. e.g., charge-out procedures, check-out cards, sign-out sheets, etc.
3. The removal of Privacy Act and other sensitive information for Flexiplace assignments is subject to supervisory approval. When such records are used by EPA employees at Flexiplace locations, care must be taken to ensure that information is not disclosed to anyone except those who are authorized access to the information in order to perform their duties. Appropriate administrative, technical, and physical safeguards must be taken to ensure the security and confidentiality of these records.
4. At the conclusion of the approved charge-out time of the Flexiplace assignment, or upon termination of employment, the employee must return the official record to the EPA office. If the employee needs this record to complete future Flexiplace assignments, he/she must again get written approval from the supervisor, prior to removal of the record from the office.
5. When duplicate copies/records used at Flexiplace locations are no longer needed by the employee, they must be recycled or destroyed if they do not contain Privacy Act information. Duplicate records containing Privacy Act material must be returned to EPA for shredding. In the event that any information should be added to or changed in a duplicate record, it must be added to or changed in the official record. If an employee has a duplicate record at home and there is no longer an administrative need to retain the record, the employee must obtain permission from the supervisor to retain this duplicate copy for his/her own personal use.
6. Confidential Business Information (CBI) or national security classified information may not be removed from EPA offices except as permitted and authorized by established procedures.

---

**V. H. Time and Attendance**

1. Hours of Duty. Employees may work standard schedules or follow Alternative Work Schedules (as statutorily defined), depending upon

**Issues**

the agreement between the employee and the supervisor. Alternative Work Schedules at EPA typically involve an employee working eight nine-hour days, one eight-hour day, with one day off each pay period. Employees must work schedules consistent with their offices' core work hours and may not work non-standard evening and weekend schedules.

2. Leave. The policies for requesting annual leave, sick leave, or other absence from duty remain unchanged. Employees are responsible for requesting leave in advance and keeping the timekeeper informed of leave usage.
3. Certification and Control of Time and Attendance (T&A). Supervisors must report time and attendance to ensure that employees are paid only for work performed and that absences from scheduled tours of duty are accounted for. Federal policy and procedures governing certification of time and attendance require agencies with employees working at remote sites to provide reasonable assurance that they are working when scheduled. Reasonable assurance may be obtained by occasional supervisor telephone calls, random visits by the supervisor to the employee's work site, and determination of the reasonableness of work output for the time spent. Employees must self-certify time and attendance to their supervisor. This may be done electronically, by report (see Form 4 in attached Appendix for an example), or by other acceptable means.
4. Administrative Leave, Dismissals, Emergency Closings. Although a variety of circumstances may affect individual situations, the principles governing administrative leave, dismissals, and closing remain unchanged. When an employee knows in advance of a situation that would preclude working at the Flexiplace work site, either time in the office or leave should be scheduled. In the event that the assigned duty station is closed due to the weather or other emergency, employees in Flexiplace assignments at an alternative work site would be expected to work their regularly scheduled hours unless they take leave.

---

**V. I. Fair  
Labor  
Standards Act  
(FLSA)**

The existing rules in 5 Title U.S.C. and in the Fair Labor Standards Act governing overtime also apply to Flexiplace arrangements. All overtime work for people in Flexiplace assignments must be approved in advance by the supervisor. An employee who works overtime without advanced supervisory approval may be removed from the Flexiplace program.

---

**V. J. Workers  
Compensation**

Flexiplace employees are covered by the Federal Employees Compensation Act (FECA). Employees can qualify for continuation of pay or workers' compensa-

tion for on-the-job injury or occupational illness if injured in the course of performing official duties at the official or alternate duty station. Supervisors must ensure that claims of this type are immediately brought to the attention of the servicing Human Resources Office. Any accident or injury occurring at the alternate duty station must be brought to the immediate attention of the supervisor.

---

**V. K. Pay  
Linkages**

1. Duty Station. For pay purposes, the "official duty station" is the employee's Federal office.
2. Special Salary Rates. The employee's official duty station serves as the basis for determining special salary rates.
3. Premium Pay. The normal rules apply for night differentials and Sunday and holiday pay whether work is accomplished at the conventional or alternate duty station. The employee's official work schedule determines his/her entitlement to premium pay. Working at night, on Sundays or on holidays requires pre-authorization by the supervisor, whether working at the traditional work site or at an alternate work site.

---

**V. L. Facilities  
Linkages**

1. Home Office Space. If working at home, employees participating in Flexiplace should have a designated work space or work station for performance of their work-at-home duties. Requirements will vary, depending on the nature of the work and the equipment needed to perform the work.
2. Home Utility Expenses. Incremental home utility costs associated with working at home will not be paid by the Agency. Exceptions apply only where the personal expense directly benefits the Government (e.g., business-related long distance or toll calls on the employee's personal phone).
3. Miscellaneous Expenses. Costs associated with the copying of work-related materials, facsimile charges, express mail, etc. may be reimbursed by the Agency, depending upon local policy.
4. Workplace Is Not a Government Facility. While the Agency may own some of the property and materials used by the employee in the home workplace, the employee agrees and understands that the home workplace is not a Government facility, and that costs of safeguarding, insuring, and maintaining the home workplace and the Government property therein are the sole responsibility of the employee.

**V. M.  
Equipment  
Linkages**

---

The Agency will provide appropriate equipment when it is available for employees to perform work at the Flexiplace work site.

1. Telephone. EPA may provide telephone credit cards or may reimburse an employee working under an approved Flexiplace Agreement for business-related long-distance and toll phone calls on his/her personal phone. EPA may install telephone lines and other necessary equipment and pay monthly telephone charges in private residences under special circumstances.
2. Laptop Computers, Agency-owned Equipment, etc. When available, Agency-owned property, such as laptop computers and other telecommunications equipment, may be used by employees in their private residences, provided the equipment is used only for official business. Strict adherence to regulations concerning the safeguarding and removal of all equipment is essential. Prior approval through the appropriate channels must be obtained before any property is removed from the Agency and property passes must be issued for each piece of equipment. The Agency will not provide office furniture. All equipment, software, data, and supplies furnished by the Agency shall remain the sole property of the Agency. Employees must agree to return these items upon request of the Agency or upon termination of the Flexiplace agreement. Employees are responsible for the safety and security of all equipment and data provided by or generated for the Agency, including maintaining security and confidentiality. Employer-owned software shall not be duplicated. Employees are solely responsible for maintaining any of their personally-owned equipment.
3. Supplies. If needed, the Agency will provide necessary office supplies (paper, pens, diskettes, etc.). The Agency will not reimburse employees for any supplies purchased independently.

---

**V. N. Training  
Linkages**

Program Coordinators provide training for supervisors and employees that covers Flexiplace policies and guidelines, as well as personal, occupational, and health and safety aspects of Flexiplace arrangements. All Flexiplace participants must attend training prior to their initial Flexiplace participation.

---

**V. O. Liability  
Issues**

Questions related to claims for personal property damage or loss or personal injury related to the employee's performance of official duties should be directed to the servicing Human Resources Office. The Agency will address issues of employee or Agency liability in accordance with the specific facts of

each case and under the provisions of the Federal Employees Claims Act, the Federal Tort Claims Act, the Military Personnel and Civilian Employees Claims Act, and local law, where appropriate.

---

**V. P. Tax  
Issues**

Generally, a Federal tax deduction is not allowed for a home office or work space unless used exclusively on a regular basis as a principal place of business. Employees who believe they may be entitled to a tax deduction based on home office or work space, depreciation of employee-owned personal computers and related equipment, etc., should consult their tax advisors or the Internal Revenue Service for information on tax laws and interpretations.

---

**VI. Application  
Process and  
Procedures**

The following language describing application procedures is provided as an example and may be modified to meet local needs.

1. Employees meeting the eligibility requirements for Flexiplace (see Section V, Paragraph A) may apply for the program provided their organizational elements or positions have been authorized by senior management to participate in the program. These employees must complete the application package (see Forms 1-3 in attached Appendix) and obtain the appropriate approval signatures.
  2. The original signed application package must be forwarded to the Flexiplace Coordinator. The Flexiplace participant and his or her supervisor each should retain a copy.
  3. All employees interested in participating in the Flexiplace Program must attend a Flexiplace training session, which provides an overview of the program and the requirements for participation.
- 

**VII.  
Termination**

1. An employee may terminate his or her Flexiplace arrangement at any time without prejudice and return to his/her official work site.
2. A performance appraisal below level 3 (currently known at EPA as "Fully Successful") automatically terminates an employee's Flexiplace arrangement.
3. Management retains the right to terminate an employee's Flexiplace participation at any time. Reasons for termination may include:
  - the employee's Flexiplace assignment no longer benefits the Agency.
  - the employee's work assignments are not being performed

- efficiently or effectively.
  - the employee fails to comply with the agreed-upon program requirements,
  - the employee fails to participate in requested program monitoring and evaluation activities (including surveys, focus groups, etc.), or
  - conduct problems arise.
- 

**VIII. Change Issues**

Whenever any element of the work agreement changes (position, work assignment, home office, or personnel changes, etc.) and participation is still approved, the Flexiplace arrangement must be reevaluated and modified. Examples of such changes include:

- the Flexiplace employee is reassigned to a different job and/or organizational unit.
- the supervisor of a Flexiplace employee is reassigned to a different job, or
- the Flexiplace employee is assigned a new supervisor.

Whenever changes occur, the following actions should be taken:

1. If the change results in a new supervisor for the Flexiplace employee and the employee would like to continue telecommuting: (a) the new supervisor will be provided orientation/training and given an overview of the employee's current work assignments and (b) the employee and supervisor will assess suitability for Flexiplace and, if approved, a new Flexiplace work agreement will be put in place.
  2. If the change results from a change in job tasks/assignments, the employee and supervisor must reassess the employee's suitability for Flexiplace and complete a new work agreement.
-

**EPA Non-Bargaining  
Employees Application**

## APPENDIX

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*The following forms must be used  
as is or modified for local use.*

---

### **Flexiplace Application Package**

1. Application Form
2. Work Agreement
3. Safety Checklist

### **Other Attachments**

4. Employee Self-Certification Time and Attendance Report
5. Annual Recertification of Eligibility

## 1. FLEXIPLACE APPLICATION FORM

Employee Name	
Job Title	Grade Level
Division/Office	Mailcode
Home Address	Home Telephone Number
First Line Supervisor	Telephone Ext.

**Type of Flexiplace Applied for:**    ☐ Regular    ☐ Episodic    ☐ Medical  
Regular - \_\_\_\_\_ days per week/pay period; Medical - consult with Flexiplace Coordinator or your Human Resources Office for more information on this program

1. Type of work to be performed at alternate work site. *(Please be specific. If more space is needed, use the Comments Section on this form or continue on a separate sheet of paper.)*

2. Briefly describe how you meet the criteria for participation. (See page 4 of the Program Guidance)

3. Benefits to the Agency.

4. Comments.	
Employee Signature	Date

ACTION ON APPLICATION	
<input type="checkbox"/> Approved	<input type="checkbox"/> Disapproved
Reason for Disapproval (if applicable)	
Supervisor's Signature	Date
Approving Official's Signature	Date
<p>If employee is approved for Flexiplace participation, provide employee and office timekeeper with a copy of this form and send the original to the Flexiplace Coordinator or appropriate official.</p> <p>If the employee is disapproved for Flexiplace participation, please inform the employee of the reason(s) for disapproval.</p>	

Employee's official tour of duty is listed below:

Pay Period Work Week	Day	Hours		Duty Station	
		From	To	Official	Alternate
Week 1	Monday				
	Tuesday				
	Wednesday				
	Thursday				

# EPA FLEXIPLACE POLICY

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12/23/97

	Friday				
Week 2	Monday				
	Tuesday				
	Wednesday				
	Thursday				
	Friday				

**Note:** Management reserves the right to alter the employee's Flexiplace work schedule to accommodate peak workload office demands or for any other official purpose with advance notification.

**EPA Non-Bargaining  
Employees Agreement**

## 2. FLEXIPLACE WORK AGREEMENT

Name	Mailcode
------	----------

**All terms set forth in the Flexiplace policy document are hereby incorporated by reference in this work agreement.**

1. **Employee agrees to adhere to the applicable guidelines and policies. EPA, hereinafter referred to as Agency, concurs with employee participation and agrees to adhere to the applicable guidelines and policies.**
2. **Duty Station. All pay, special salary rates, leave and travel entitlements will be based on the employee's official duty station.**

**Official duty station:** \_\_\_\_\_

**Alternate duty station (the location in which the employee is designated to work while not at the official duty station):** \_\_\_\_\_

**Please describe the designated work area in the alternative duty station:**

3. **Employee's timekeeper will have a copy of the employee's Flexiplace schedule. Employee's time and attendance will be recorded as Flexiplace Time using a special code established for this purpose. Employee's supervisor will certify biweekly time and attendance for hours worked. Employee must complete the "Employee Self-Certification Time and Attendance Report" (Attachment 1) and return it to his or**

her supervisor on a biweekly basis.

4. Employee must obtain supervisory approval before taking leave in accordance with established office procedures. By signing this agreement the employee agrees to follow established procedures for requesting and obtaining approval of leave.
5. The employee will continue to work in a pay status while working at his/her alternate duty station. An employee who works overtime or compensatory time that has been requested and approved in advance will be compensated in accordance with applicable laws and regulations. By signing this agreement, the employee agrees to obtain proper approval for overtime or compensatory time work. Failure to adhere to proper approval for overtime or compensatory time may result in the employee's removal from the Flexiplace Program or other appropriate action.
6. An employee who is authorized to use Agency equipment will protect the Agency equipment in accordance with the procedures established in FIRMR Bulletin 30, dated October 15, 1985. An employee who provides his/her own equipment is responsible for installing, servicing, and maintaining it.
7. The employee agrees to permit periodic inspections by the Agency of the alternate duty station during the employee's normal working hours to ensure proper maintenance of Agency-owned equipment and duty station conformance with health and safety standards. The supervisor must provide the employee with at least 24 hours advance written notice of the inspection.
8. The Agency is not liable for damages to an employee's personal or real property during the course of performance of official duty or while using Agency equipment in the employee's alternate duty station, except to the extent the Agency is liable under the Federal Tort Claims Act or under the Military Personnel and Civilian Employees Claims Act. Typically, damage to an employee's real or personal property will not be compensable.
9. The Agency is not responsible for operating costs, home maintenance or any other incidental costs (e.g., utilities) whatsoever associated with the use of the employee's

alternate duty station (e.g., home residence). The Agency will provide necessary office supplies that are regularly available at the Agency (such as paper, pens, printer ribbons, diskettes, envelopes, tape, staples, etc.).

10. An employee working under an approved Flexiplace Agreement will be reimbursed for business-related long distance and toll phone charges on his or her personal phone. Costs associated with the copying of work-related materials, facsimile charges, express mail, etc. may be reimbursed by the Agency.

11. The employee is covered under the Federal Employee's Compensation Act (FECA) if injured in the course of performing official duties at the official or alternate duty station, in accordance with applicable Department of Labor regulations and standards governing FECA liability.

Any accident or injury occurring at the alternate duty station must be brought to the immediate attention of the supervisor and the servicing Human Resources Office. Because an employment-related accident sustained by an employee participating in the Flexiplace Program could occur outside the premises of the official duty station, the supervisor must investigate all reports immediately following notification.

The employee must complete the "Employee Self-Certification Safety Checklist," which identifies significant safety standards that should be met, and submit it to his/her supervisor prior to participating in the Flexiplace Program.

12. The employee will communicate as needed with his/her supervisor to receive assignments and have completed work reviewed in accordance with the supervisor's instructions.
13. The employee will complete all assigned work in accordance with his/her supervisor's instructions. Regular and required progress reporting, as defined by the supervisor, will be used by the supervisor in his/her assessment of the employee's job performance.
14. The supervisor will evaluate employee's job performance against performance standards established in the employee's performance agreement. The agreement will be

amended to reflect the employee's Flexiplace participation, if appropriate.

15. To participate in the Flexiplace Program, an employee must have a performance rating of Fully Successful (level 3 or equivalent) or better in the most recent approval. This does not apply to employees who are statutorily exempt from performance ratings (e.g., Administrative Law Judges).
16. The employee agrees to use approved safeguards to protect Agency records from unauthorized disclosure or damage and to comply with the requirements set forth in the Privacy Act of 1974, as amended, 5 U.S.C. 552a, and those concerning release of confidential business information (CBI) as set forth in 40 C.F.R. Part II, Subpart B. See Section V.G. in the EPA Flexiplace Program Guidance for more details.
17. The employee may suspend or terminate participation in Flexiplace at any time without prejudice. Management has the right to remove the employee from the program if the employee's participation in the program fails to meet the needs of the organization, as defined by the supervisor. Reasons for termination include: the employee's Flexiplace assignment no longer benefits the Agency, the employee's work assignments are not being performed efficiently or effectively, the employee fails to comply with the agreed-upon program requirements, and conduct problems.
18. The employee agrees to perform his/her officially assigned duties at either the official duty station or the alternative duty station. Failure to comply with this provision may result in administrative action, such as charge of leave, loss of pay, termination of participation in the program, or disciplinary action, as warranted, based on the situation.
19. The employee agrees not to conduct unauthorized personal business while in official duty status at the official or alternate duty station (e.g., dependent care, home repairs, real estate transactions). The employee agrees to arrange for any dependent care and other personal responsibilities in a manner that allows him/her to successfully meet job responsibilities. Flexiplace is not a substitute for dependent care.
20. This Agreement does not restrict the employee's right to change schedules in accor-

dance with existing policies. If a permanent change of schedule is approved, the schedule on pages A2-A3 of the application package will be changed accordingly and initialed by both the employee and the supervisor.

21. The employee and the supervisor agree to attend the required training and orientation prior to participation in the Flexiplace Program.
22. The employee and the supervisor agree to complete the "Annual Recertification of Employee Eligibility to Continue in the Flexiplace Program" (Attachment 5) and submit it to the Flexiplace Program Coordinator or appropriate official prior to the anniversary date of the agreement.

I have read the work agreement and agree to adhere to the applicable guidelines and policies as set forth in this document	
Employee's Signature	Date
EPA concurs with the participation of this employee and agrees to adhere to the applicable guidelines and policies.	
Supervisor's Signature	Date
Approving Official's Signature	Date

## 3. EMPLOYEE SELF-CERTIFICATION SAFETY CHECKLIST

The following checklist is designed to assess the overall safety of the alternate duty station and must be completed and signed prior to the beginning of the Flexiplace assignment. Please read, complete and sign the checklist and obtain your supervisor's approval and signature.

	Yes	No	N/A
1. Is the space free of asbestos-containing materials?			
2. If asbestos-containing material is present, is it undamaged and in good condition? (Only check if applicable)			
3. Does the space appear to be free of indoor air quality problems?			
4. Is the space free from excess noise?			
5. Is there a potable (drinkable) water supply system in place?			
6. Is adequate ventilation present for the desired occupancy?			
7. Are bathroom(s) available with hot and cold running water?			
8. Are all stairs with four or more steps equipped with handrails?			
9. Are all circuit breakers and/or fuses in the electrical panel labeled as to intended service?			
10. Do circuit breakers clearly indicate if they are in the open or closed position?			
11. Is all electrical equipment free of recognized hazards that would cause physical harm (frayed wires, bare conductors, loose wires, flexible wires running through walls, exposed wires fixed to the ceiling)?			
12. Will the building's electrical system permit the grounding of electrical equipment?			
13. Are aisles, doorways and corners free of obstructions to permit visibility and movement?			
14. Do file cabinets and storage closets open so they do not obstruct walkways?			
15. Do chairs have well-fixed (not loose) casters/wheels?			
16. Are the rungs and legs of chairs sturdy?			
17. Are the phone lines, electrical cords, and extension wires safely secured.			
18. Is the office space free of combustible materials?			
19. Is there adequate electrical lighting to accomplish work assignments?			
20. Are floor surfaces clean, dry, and level?			
21. Are carpets well secured to the floor and free of frayed or worn seams?			

Employees agree by their signature hereon that the purpose of this checklist is to assist employees in meeting their individual obligation to ensure their safety and the safety of others in their respective home workplace. The Agency and any supervisor are not able to ensure compliance with any of the provisions of this checklist and accordingly do not undertake to do so. Failure by the Agency or any supervisor to inspect the premises or any act or omission related to any such inspection shall not be deemed to shift the responsibility of ensuring safety in the home workplace from the employee. Employees are responsible for informing their supervisors of any significant change to their home workplaces.

Employee's Signature	Date
Supervisor's Signature	Date

#### 4. Flexiplace Program

#### Employee Self-Certification Time and Attendance Report

Employee Name	Beginning Date:
	Ending Date:

Enter all hours worked over the two week pay period. Place a ✓ in the "F" column for days worked on Flexiplace.

DAY	F	HOURS		DAILY TOTAL	A/L	S/L	CT/OT
		From	To				
Sunday							
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							
Sunday							
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							

Employee's Signature	Supervisor's Signature
Remarks:	

### 5. Annual Recertification of Employee Eligibility to Continue in the Flexiplace Program

Employee's Name	Supervisor's Name
-----------------	-------------------

<b>RECERTIFICATION</b> – at least every 12 months Type of Flexiplace: <input type="checkbox"/> Regular <input type="checkbox"/> Episodic <input type="checkbox"/> Medical > Regular - _____ days per week/pay period; Medical - consult with Human Resources Office for details.										
For regularly scheduled Flexiplace participants, list the employee's established work schedule below. Indicate in the last row if the work site is at the office (O) or the Flexiplace (F) site. Please be sure to include a ½ hour unpaid lunch period for each work day.										
Hours	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri
Start										
End										
Site										

<b>The following checklist is designed to help you assess an employee's eligibility to continue in the Flexiplace Program.</b>		
	Yes	No
1. Do the work assignments and responsibilities of the employee's current position warrant continued participation?		
2. Is the employee's most recent performance rating Fully Successful or higher?		
3. Does the employee demonstrate ability to work independently?		
4. Is the employee able to maintain the quality and quantity of his or her work?		

<input type="checkbox"/> Approved	<input type="checkbox"/> Disapproved. Reason: _____
I have reviewed and discussed the recertification criteria and decision with the employee.	
Supervisor's Signature	Date
Employee's Signature	Date

**Distribution Instructions:**

Make three copies of the completed form and distribute as follows:

(1)	Supervisor
(2)	Employee
(3)	Employee's Timekeeper

*Send original to the Flexiplace Coordinator or appropriate official*





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

RECEIVED  
11/30

NOV 25 1998

NOV 25 1998

OFFICE OF  
ADMINISTRATION  
AND RESOURCES  
MANAGEMENT

**MEMORANDUM**

**SUBJECT:** Final American Federation of Government Employees National Collective Bargaining Agreement for Flexiplace

**FROM:** Romulo L. Diaz, Jr. *RLD*  
Assistant Administrator

**TO:** Assistant Administrators  
General Counsel  
Inspector General  
Chief Financial Officer  
Associate Administrators  
Regional Administrators  
Staff Office Directors

I am pleased to announce that the American Federation of Government Employees (AFGE) National Collective Bargaining Agreement for flexiplace was successfully negotiated and signed. This agreement must be implemented as approved by all organizational locations within the AFGE bargaining unit. The agreement does not affect non-AFGE bargaining units. The agreement was effective on November 13, 1998. I would like to congratulate the union and management negotiating team for their diligence, patience, and fortitude demonstrated while working together to conclude this agreement. Attached to this memorandum is a copy of the AFGE/EPA Flexiplace Agreement.

This mutual agreement by AFGE National union and management includes:

(1) procedures for employees to follow in requesting flexiplace; (2) factors for management to consider in exercising its flexibility to grant or deny flexiplace, such as portability of the work, the employee's time, attendance and performance history, and the availability of funds to support flexiplace work stations; (3) recognition of three types of flexiplace (medical, episodic, and regular) with somewhat different criteria; (4) recognition that EPA bargaining unit employees who were in flexiplace arrangements as of May 11, 1998, may continue under that arrangement until 30 days after the effective date of the agreement; and (5) the agreement does not delegate bargaining to the local level and will become part of the new AFGE National contract. Inconsistent local agreements or practices in AFGE-represented locations will be superseded by this agreement unless specifically exempted by the agreement.

A copy of the agreement will be placed on the EPA home page and a synopsis of the agreement will appear in Employee Matters. Should you have questions please contact Steve Sharfstein at (202) 260-2842 or Linda Wallace at (202) 260-3686.

**Attachments**

cc:     Assistant Regional Administrators  
          Alan Hollis, President, AFGE National Council  
          Human Resources Officers  
          Program Management Officers  
          Headquarters Human Resources Staff Directors

## **AFGE/EPA FLEXIPLACE PROGRAM**

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### **APPENDICES**

- (1) Application**
- (2) Safety Checklist**
- (3) Work Agreement**
- (4) Employee Certification of Time & Attendance Report**
- (5) Notice of Removal from Flexiplace**

## **I. Scope and Terms of This Agreement**

The parties agree that the implementation and administration of the EPA Flexiplace Program in the AFGE/EPA bargaining unit will be governed by applicable law, government-wide rules and regulations, and this agreement.

## **II. Purpose**

The Federal Government promotes telecommuting programs such as EPA's Flexiplace program to address the Government's challenge of: improving customer service, reducing energy consumption, safeguarding air quality, reducing traffic congestion, operating with limited funding, and meeting employee needs.

## **III. Definitions**

A. **Flexiplace.** Flexiplace is the assignment to work at an alternate work location other than an employee's official work station. Participation is voluntary. Generally, any occupation/job involving portable work can be considered for inclusion. Management will approve participation based on such factors as mission accomplishment, costs, and benefits to the organization and employees. There are three forms of Flexiplace covered by this agreement:

1. **Regular.** Under this type of Flexiplace arrangement, employees may request the performance of duties at an alternate work location on a regular and recurring basis. Normally, employees will be scheduled to work no more than two days per week at the Alternate Work Location (AWL). Flexiplace day(s) must be the same each week under this form of Flexiplace.

2. **Episodic.** This form of Flexiplace is appropriate for work or assignments of specific limited duration that can be performed at an AWL.

3. **Medical.** This form of Flexiplace is designed for the continued accomplishment of Agency work while an employee has a medical condition which does not affect the employee's ability to perform his or her regular work assignment at an AWL. The Agency may request the employee to provide a physician's statement of incapacitation or other acceptable evidence related to the reason for the employee's Medical Flexiplace request.

The Employer may approve up to 5 days per week at the AWL.

This type of Flexiplace is not intended to be a permanent arrangement and will normally not exceed 6 months. This time period may be extended where the eligibility factors and other requirements of this agreement are met. Such extensions will not be unreasonably denied.

B. **Alternate Work Location (AWL).** The AWL is an agreed-upon work location other than the employee's official work station.

C. **Portable Work.** Work that is normally performed at the employee's official work site but which can be performed with equal effectiveness at another location with respect to quality, quantity, timeliness, customer service and other aspects of mission accomplishment. It is understood that this work is part of the employee's regular assignment and does not involve a change in duties or the way assignments are performed. In order to be portable, the work must be clearly defined and measurable.

#### **IV. Responsibilities**

A. **Management** is responsible for approving the use of Flexiplace in accordance with the terms of this agreement and in consideration of such factors as mission accomplishment, service to the public, and costs and benefits to the Agency and its employees.

B. **Employees** are responsible for the following:

1. Completing required applications/agreements to participate in program. (Appendix 1-3)
2. Making timely advance requests for use of Flexiplace in a manner that allows approving official sufficient time to consider and plan for the request.
3. Observing agreed upon hours of work in accordance with established policies and bargaining agreement(s).
4. Observing established policies and procedures for requesting and using leave.
5. Safeguarding Agency equipment and supplies and using them only for official purposes.
6. Completing the Employee Self-Certification of Time and Attendance Report and returning it to the supervisor on a biweekly basis. (Appendix 4)
7. Performing only official EPA business while on a Flexiplace assignment, including maintaining an AWL environment that is free from distractions and interruptions.
8. Maintaining compliance with appropriate health and safety regulations, and reporting unsafe working conditions.

#### **V. Eligibility**

In order to participate in the Flexiplace program, an employee must:

1. Have volunteered for the program.
2. Have supervisory approval for participation.
3. Have worked as an EPA employee for at least one year.
4. Not be a probationary or temporary employee.
5. Not have had documented performance or conduct deficiencies within the preceding 12 months.
6. Have portable work

7. If working at home, be able to provide an appropriate work location with adequate space not subject to undue interruption which would impact productivity and access to a telephone.
8. Have demonstrated the ability to work independently.

## **VI. Criteria for Approval/Disapproval**

### **A. Criteria for approval includes the following:**

1. Portability of the work.
2. Reasonableness and practicality of the request with respect to such issues as complexity of administrative arrangements that need to be made or potential impact on other employees' work load.
3. Additional cost to the Agency.
4. Availability of necessary equipment.
5. Service delivery to internal and external customers, including office coverage.
6. Needs of the employee.

### **B. Generally, requests will not be approved if any of the following conditions apply:**

1. The employee has been with the Agency for less than one year.
2. The position requires extensive face to face contact with supervisors, other employees, clients or the general public.
3. The work requires access to material which is routinely required to accomplish assignments and cannot be removed from the official work site.
4. Any performance or conduct deficiencies, including time and attendance, have been identified and documented.
5. The employee's work schedule is insufficient to provide both office and Flexiplace days because of a limited tour of duty.
6. The work requires close supervision because the employee is new to the work or is being trained on new or developmental duties, or other work monitoring requirements.
7. The employee has not demonstrated an ability to work independently, including time management.

## **VII. Flexiplace Guidelines**

A. **Work Agreement.** Employees who have been approved for Flexiplace assignments must sign a Flexiplace Work Agreement that covers the terms and conditions of participation in the Flexiplace Program (Appendix 3). This agreement will provide employees with sufficient information about the Flexiplace Program so they can make an informed decision whether to participate. When signed, this agreement documents commitment by the employee and his/her supervisor to adhere to Flexiplace policies. The work agreement includes the following items:

1. Privacy Act/security provisions for government property and records;
2. Personal and financial liability;
3. Agreement to release home telephone number to "customers" (applies only to employees working at home);
4. Voluntary nature of the arrangement.
5. Length of the Flexiplace assignment.
6. Days and hours of duty for each duty station.
7. Location of AWL.
8. Responsibilities for timekeeping, leave approval, overtime or compensatory time.
9. Work assignments for the AWL.

**B. Work Schedules.** The same work schedule rules that apply at the regular work site apply at the alternate work location.

**C. Position Descriptions and Performance Issues.**

1. **Position Descriptions.** Changes to position descriptions are not necessary because the actual duties to be performed should remain the same.

2. **Performance Standards.** Critical elements and performance standards must have clearly defined performance requirements that are quantifiable, measurable and results oriented. Changes should not be necessary because the actual duties to be performed and any assessment of results should remain the same at the AWL.

**D. Records Management**

EPA employees are required to comply with the following guidelines on using records or duplicating records when working at Flexiplace locations. Compliance with these Flexiplace policies will protect the Agency and the employee in the event of litigation or investigation. During an investigation, all relevant records must be made available to investigators and auditors.

1. Any official record removed for Flexiplace assignments remains the property of EPA. Additionally, any official record that is generated from Flexiplace assignments becomes the property of EPA.

2. Confidential and Privacy Act information will continue to be properly safeguarded at AWL just as it is at the official duty station using established procedures as permitted and authorized (for example, the EPA TSCA Confidential Business Information Security Manual).

3. Employees must comply with any and all other applicable records security laws, regulations and policies.

#### **E. Time and Attendance**

1. Employees performing work at the AWL are subject to the same maximum workday limits as they would be if they were performing work at the official duty station. Employees performing work at the AWL are not authorized to work overtime or official compensatory time; except in special circumstances (e.g., to meet priority needs of the Agency). In these situations, prior approval must be obtained from their supervisor.

2. Employees performing work at the AWL will follow established procedures for requesting and obtaining approval of leave, consistent with Article 24 of the Master Collective Bargaining Agreement.

3. Certification and Control of Time and Attendance (T&A). Federal policy and procedures governing certification of time and attendance require agencies with employees working at AWL to provide reasonable assurance that they are working when scheduled and absences during the work day are accounted for. Employees must self-certify time and attendance to their supervisor. This may be done electronically, by report (see Form 4 in attached Appendix for an example), or in accordance with other established procedures.

4. Administrative Leave/ Emergency Closings/Late Openings/ Dismissals: Employees are not entitled to excused absence for emergency closings, delayed openings or early dismissals for conditions or events that do not affect their reporting for duty at the alternative work location. In the event that conditions prevent the employee from performing his/her duties at the alternative work location (e.g., power outage), the employee must report to the official work site if it is open, subject to the same excused absence allowances provided to other employees at that site, or request appropriate leave.

#### **F. Fair Labor Standards Act**

The existing rules in Title 5 U.S.C. and in the Fair Labor Standards Act governing overtime also apply to Flexiplace arrangements. All overtime work for employees in Flexiplace assignments must be approved in advance by the supervisor.

#### **G. Workers Compensation**

Flexiplace employees are covered by the Federal Employees Compensation Act (FECA). Employees can qualify for continuation of pay or Workers Compensation for on-the-job injury or occupational illness if injured in the course of performing official duties at the official duty station or the alternate work location. Supervisors must ensure that claims of this type are immediately brought to the attention of the servicing Human Resources Office. Any accident or injury occurring at the alternate work location must be brought to the immediate attention of the supervisor. Because the Agency is liable for potential workers compensation costs, the Agency shall have the right to conduct inspections of employees' Alternate Work Location(s), provided 24 hours advance notice is given and the employee is working at the alternate work site on the day of the inspection.

## H. Pay Rates

1. Duty Station. For pay purposes, the "official duty station" is the employee's Federal office.
2. Special Salary Rates. The employee's official duty station serves as the basis for determining special salary rates.
3. Premium Pay. The same rules and regulations apply for night differentials and Sunday and holiday pay whether work is accomplished at the conventional or AWL. The employee's official work schedule determines his/her entitlement to premium pay. Working at night, on Sundays or on holidays requires pre-authorization by the supervisor, whether working at the traditional work site or at an AWL.

## I. Facilities

1. Home Office Space. If working at home, employees participating in Flexiplace should have a designated work area for performance of their work-at-home duties. Requirements will vary, depending on the nature of the work and the equipment needed to perform the work.
2. Equipment and Expenses. The Agency will provide appropriate equipment, when it is available, for employees to perform work at the Flexiplace work site. Employees may choose to use home personal computers and other office equipment in support of their Flexiplace requests. The Agency will not be responsible for any operating costs, home maintenance, homeowners or renters insurance, or other residential costs associated with a flexiplace assignment except the Agency will pay the cost for authorized telephone calls (including toll calls) incurred for official Agency business.
  - a. Telephones. EPA may provide telephone credit cards or may reimburse an employee working under an approved Flexiplace Agreement for business-related long-distance and toll calls on his/her personal phone. EPA may install telephone lines and other necessary equipment and pay monthly telephone charges in private residences under special circumstances. The Agency reserves the right to determine the most cost-effective manner of covering telecommunications costs.
  - b. Laptop Computers, Agency-owned Equipment, etc. When available, Agency-owned property, such as laptop computers and other telecommunications equipment, may be used by employees in their private residences, provided the equipment is used only for official business. Strict adherence to regulations concerning the safeguarding and removal of all equipment is essential. Prior approval through the appropriate channels must be obtained before any property is removed from the Agency and property passes must be issued for each piece of equipment. All equipment, software, data, and supplies furnished by the Agency shall remain the sole property of the Agency. Employer-owned software shall not be duplicated for private use or profit. Employees must agree to return these items upon request of the Agency for maintenance or any other reason, or upon termination of the Flexiplace agreement.

Employees are responsible for the safety and security of all equipment and data provided by or generated for the Agency, including maintaining security and confidentiality. Employees are solely responsible for maintaining any personally-owned equipment.

c. Supplies. If needed, the Agency will provide necessary office supplies, (paper, pens, diskettes, etc.), subject to applicable rules and regulations regarding use of government property.

3. Miscellaneous Expenses. Employees are expected to plan for and accomplish necessary photocopying, mail, and facsimile transmissions at the AWL. In emergency situations, and with the prior approval of the supervisor, costs associated with the copying of work-related materials, facsimile charges, express mail, etc., may be reimbursed.

4. Workplace Is Not a Government Facility. While the Agency may own some of the property and materials used by the employee in the home workplace, the employee agrees and understands that the home work place is not a Government facility, and that costs of safeguarding, insuring, and maintaining the home work place and the Government property therein are the sole responsibility of the employee.

5. Questions related to claims for personal property damage or loss or personal injury related to the employee's performance of official duties should be directed to the servicing Human Resources Office. The Agency will address issues of employee or Agency liability in accordance with the specific facts of each case and under the provisions of the Federal Employees Claims Act, the Federal Tort Claims Act, the Military Personnel and Civilian Employees Claims Act, and applicable law, as appropriate .

6. Generally, a Federal tax deduction is not allowed for a home office or work space unless used exclusively on a regular basis as a principal place of business. Employees who believe they may be entitled to a tax deduction based on home office or work space, depreciation of employee-owned personal computers and related equipment, etc., should consult their tax advisors or the Internal Revenue Service for information on tax laws and interpretations.

## **VIII. Application Process and Procedures**

The following language describes application procedures:

A. The employee will submit the attached application for performing work at the AWL. The application will describe the nature of the duties to be performed and the specific day(s) requested. The request will be submitted to management for approval. The decision will be provided to the applicant in writing as soon as possible, normally within 15 calendar days.

B. The Application must be submitted within a reasonable advance period allowing sufficient time for the approving official to consider and plan for the request. If the assignment is initiated by the supervisor, and the employee concurs, the employee is still responsible for submitting a Flexiplace Program Application.

C. The criteria for approving a request to work at the AWL will be based on the terms of this agreement.

D. Employees and their supervisors approved for the Flexiplace Program must receive applicable guidance, which may include training and/or other types of communication, which provides an overview of the program and the requirements for participation.

#### **IX. Withdrawal or Removal from the Flexiplace Program**

A. An employee may terminate his/her Flexiplace arrangement at any time without prejudice and return to his/her official duty station. Employee notice to the supervisor should be in writing and acknowledged by the supervisor to prevent misunderstandings about the employee's work location.

B. The Agency may remove an employee from the Flexiplace Program based on the employee's failure to adhere to the requirements specified in the Flexiplace Program Agreement and/or any performance or conduct issues or concerns which adversely affect or alter the conditions pertaining to any of the approval criteria identified in Section VI. When a decision is made to remove an employee from the Flexiplace Program, the employee must be given written notice indicating the reason(s) for removal (Appendix 5). The employee may reapply for Flexiplace Program participation 6 months after removal from the Program, provided that her/his performance and conduct are fully satisfactory.

#### **X. Changes**

A. When any aspect of the work agreement changes (e.g, position, work assignment, supervisor, alternate work location, etc.), the employee and supervisor will reassess the employee's work for Flexiplace suitability and continued approval.

#### **XI. Problems with Potential Affect on Work Performance**

A. Employees will promptly inform supervisors whenever any problems arise which adversely affect their ability to perform work at the AWL. Examples could include situations such as equipment failure, power outages, telecommunications difficulties, etc.

B. In the event of a local emergency situation which adversely affects employees' ability to commute to the workplace (e.g., transit strike, natural disaster), the parties agree to meet immediately to discuss possible temporary Flexiplace arrangements for affected employees.

## **XII. Implementation**

A. The provisions of this agreement do not modify government-wide laws, regulations or the Master Collective Bargaining Agreement for using Flexiplace (or some variation of the program) as a reasonable accommodation for qualified disabled individuals.

B. EPA bargaining unit employees who are using Flexiplace arrangements as of 5/11/98 will continue under that arrangement until 30 days after the effective date of this agreement, when they will be required to comply with these provisions.

C. Violations of this agreement are subject to the negotiated grievance procedure between the parties.

D. This agreement becomes effective on the 31<sup>st</sup> days after the completion of Agency Head Review. If any portion is properly disapproved, the remaining portion will become effective and the parties will return to the bargaining table as soon as possible to resolve outstanding issues.

E. Union and management will meet within 12 months of the implementation date of this agreement to review available data and to discuss and identify concerns or issues regarding the Flexiplace program. AFGE participants will be provided official time and travel expenses to prepare for and participate in these meetings. If further meetings are necessary, they will be jointly arranged.

1. The following information on each AAship and Regional Office will be provided to the Union no later than 12/31/98 in order to get a current picture of existing Flexiplace programs within the Agency:

a. Name, job title, series and grade and location of every employee on Flexiplace as of October 31, 1998.

b. Type of Flexiplace (Regular, Episodic, Medical)

c. All handouts/training materials/guidelines for the EPA/AFGE Flexiplace program

d. Beginning and ending date (projected or actual) of each employee's Flexiplace assignment

e. Copies of any surveys done with participants for any reason

f. Copies of any reports or evaluations regarding the Flexiplace program provided to the upper level EPA management, other agencies or organizations outside of EPA.

F. The existing goals for Flexiplace participation in Region I, Region VIII or any other portion of the bargaining unit will not be reduced or eliminated.

G. An electronic copy of this agreement will be place on the EPA LAN with a 7-day pop-up notice, on the web page and in "Employee Matters." A hard copy will be provided to new employees and other bargaining unit employees if individually requested.

H. This agreement will become a part of the new AFGE national contract and will not be re-opened except by mutual agreement during the life of the contract.

For AFGE:

Jill Hastings-Ellis 9/29/98  
Jill Hastings-Ellis, Chief Negotiator

Alan L. Hollis 7/29/98  
Alan L. Hollis, Council 238 President

Eyvonne Petty-Collier 10/13/98  
Eyvonne Petty-Collier, Council 238 1<sup>st</sup> VP

For EPA:

Linda J. Wallace 10-13-98  
Linda J. Wallace, Chief Negotiator

Devereaux Barnes 10/8/98  
Devereaux Barnes, Office Director, OSW

Steven E. Johnson  
Steven E. Johnson, LMR Rep, Region III

**AFGE/EPA Flexiplace  
Application**

**Appendix (1)**  
**AFGE/EPA FLEXIPLACE APPLICATION FORM**

Employee Name \_\_\_\_\_ Telephone Ext. \_\_\_\_\_ Mailcode \_\_\_\_\_

Type of Flexiplace: Regular \_\_\_\_\_ Episodic \_\_\_\_\_ Medical \_\_\_\_\_

Job Title/Series/Grade \_\_\_\_\_ Division/Office \_\_\_\_\_

Alternate Work Location Address \_\_\_\_\_

Alternate Work Location Telephone \_\_\_\_\_ FAX \_\_\_\_\_

First Line Supervisor \_\_\_\_\_ Telephone Ext \_\_\_\_\_

Number of Days per Pay Period requested for Alternate Work Location \_\_\_\_\_

Description of work to be performed at Alternate Work Location:

I certify that I have at least a Fully Successful or Pass performance appraisal rating.  
I certify that I have work space at the alternate work location suitable for performing work.  
I certify that I am willing to sign and abide by the Flexiplace Program Work Agreement.  
If the request is for medical flexiplace, medical documentation justifying the reason for the request  
and the projected duration of the need is attached to this application.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

\*\*\*\*\*

**ACTION ON APPLICATION**

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_

Specific Reason for Disapproval: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Supervisor's Signature \_\_\_\_\_ Date \_\_\_\_\_

Approving Official's Signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTE: A copy of this form should be maintained by the employee, the supervisor and a copy sent to the appropriate Flexiplace Coordinators.**

**Appendix A (2)**  
**EMPLOYEE SELF-CERTIFICATION SAFETY CHECKLIST**

*The following checklist is designed to assess the overall safety of the AWL and must be completed, signed and given to your supervisor with your application for the Flexiplace program.*

	Yes	No	N/A	Comments
1 Is the space free of asbestos material?				
2 If NO. is the asbestos undamaged and in good condition?				
3 Does the space appear to be free of indoor air quality problems?				
4 Is the work space free from excess noise?				
5 Is water available and drinkable in the space?				
6 Is ventilation adequate?				
7 Is a bathroom available with hot and cold running water?				
8. Are there handrails for stairs with more than 3 steps?				
9 Are circuit breakers/fuses in the electrical panel labeled as to intended service?				
10 Do circuit breakers clearly indicate if they are opened or closed?				
11. Is electrical equipment free of recognized hazards that would cause physical harm (for example, frayed wires, bare conductors, loose wires, exposed wires fixed to the ceiling, a rat's nest of plugs in a single outlet and so on)?				
12. Will the building's electrical system permit the grounding of electrical equipment?				
13 Are aisles, doorways and corners free of obstructions to permit visibility and movement?				
14 Do file cabinets and storage closets open so they do not obstruct walkways?				
15 Do chairs have stable and secure wheels/casters?				
16. Are rungs and legs of chairs stable and sturdy?				
17. Are the phone lines, electrical cords and extension wires safely secured?				
18. Is the office free of combustible or materials?				
19 Is there adequate electrical lighting to accomplish the work assignments?				
20. Are floor surfaces clean, dry and level?				
21. Are carpets well secured to the floor and free of frayed or worn seams?				
22. Are there any other known safety issues that should be addressed for this work space?				

*Signing this form does not guarantee that the AWL is hazard free, but does verify that the employee has made a reasonably careful inspection for potential hazards. Employees are responsible for informing their supervisors of any changes to their AWL which could impact on health and safety of the employee and others.*

Employee's Signature \_\_\_\_\_ Date \_\_\_\_\_

Supervisor's Signature \_\_\_\_\_ Date \_\_\_\_\_

**AFGE/ERA Flexplace  
Work Agreement**

**Appendix (3)**  
**AFGE/EPA FLEXIPLACE WORK AGREEMENT**

All terms set forth in the AFGE/EPA Flexiplace Agreement ("Flexiplace Agreement") are hereby incorporated by reference in this work agreement.

Name \_\_\_\_\_ Mailcode \_\_\_\_\_

1. Employee agrees to adhere to the AFGE/EPA Flexiplace Agreement. EPA, hereinafter referred to as Agency, concurs with employee participation and agrees to adhere to the AFGE/EPA Flexiplace Agreement .

2. Duty Station. All pay, special salary rates, leave and travel entitlements will be based on the employee's official duty station.

Official duty station \_\_\_\_\_

Alternate Work Location (the location in which the employee is designated to work while not at the official duty station) \_\_\_\_\_

3. Please describe the designated work area in the AWL.

4. Employee's timekeeper will have a copy of the employee's Flexiplace schedule. Employee's time and attendance will be recorded as Flexiplace Time using a special code established for this purpose. Employee's supervisor will certify bi-weekly time and attendance for hours worked. Employee must complete the "Employee Self-Certification Time and Attendance Report" (Appendix 4) and return it to his or her supervisor on a bi-weekly basis.

5. Employees performing work at the AWL will follow established procedures for requesting and obtaining approval of leave, consistent with Article 24 of the Master Collective Bargaining Agreement.

6. Employees performing work at the AWL are subject to the same maximum workday limits as they would be if they were performing work at the official duty station. Employees performing work at the AWL are not authorized to work overtime or official compensatory time, except in special circumstances (e.g., to meet priority needs of the Agency). In these situations, prior approval must be obtained from the Supervisor.

7. An employee who is authorized to use Agency equipment will protect the Agency equipment in accordance with the procedures established in FIRM Bulletin 30, dated October 15, 1985. An employee who provides his/her own equipment is responsible for installing, servicing, and maintaining it.

8. Provided the employee is given at least 24 hours advance notice, the employee agrees to permit periodic inspections of his/her AWL during the employee's normal working hours to ensure site conformance with safety standards and other specifications in these guidelines. Such inspections will occur only on days when the employee is working at the AWL.
9. Questions related to claims for personal property damage or loss or personal injury related to the employee's performance of official duties should be directed to the servicing Human Resources Office. The Agency will address issues of employee or Agency liability in accordance with the specific facts of each case and under the provisions of the Federal Employees Claims Act, the Federal Tort Claims Act, the Military Personnel and Civilian Employees Claims Act, and local law as appropriate.
10. The Agency will not be responsible for operating costs, home maintenance, homeowners or renters insurance, or other residential costs except the Agency will ~~install and~~ pay the cost for authorized telephone expenses (including toll calls) incurred for official Agency business.
11. The Agency will provide necessary office supplies that are regularly available at the Agency (such as paper, pens, printer ribbons, diskettes, envelopes, tape, staples, etc.).
12. EPA may provide telephone credit cards or may reimburse a employee working under an approved Flexiplace Agreement for business-related long distance and toll calls on his/her personal phone. EPA may install telephone lines and other necessary equipment and pay monthly telephone charges in private residences under special circumstances. The Agency reserves the right to determine the most cost-effective manner of covering telecommunications costs.
13. Employees are expected to plan for and accomplish necessary photocopying, mail and facsimile transmissions at the regular work site. In emergency situations, and with the prior approval of the supervisor, costs associated with the copying of work-related materials, facsimile charges, express mail, etc., may be reimbursed.
14. The employee is covered under the Federal Employee's Compensation Act (FECA) if injured in the course of performing official duties at the official or alternate duty station, in accordance with applicable Department of Labor regulations and standards governing FECA liability. (NOTE: Any accident or injury occurring at the alternate duty station must be brought to the immediate attention of the supervisor and the servicing Human Resources Office. Because an employment-related accident sustained by an employee participating in the Flexiplace Program could occur outside the premises of the official duty station, the supervisor must investigate all reports immediately following notification.)
15. The employee must complete the "Employee Self-Certification Safety Checklist," which identifies significant safety standards that should be met, and submit it to his/her supervisor prior to participating in the Flexiplace Program.
16. The employee will communicate as needed with his/her supervisor to receive assignments and have completed work reviewed in accordance with the supervisor's instructions.

17. The employee will complete all assigned work in accordance with his/her supervisor's instructions. Progress reviews under Article 34 as revised by the parties will be used by the supervisor in his/her assessment of the employee's job performance. The supervisor will evaluate employee's job performance against performance standards established in the employee's performance agreement.
18. To participate in the Flexiplace Program, an employee must have a performance rating of at least Fully Successful (Level 3 or equivalent) in the rating of record.
19. The employee agrees to use approved safeguards to protect Agency records from unauthorized disclosure or damage and to comply with the requirements set forth in the Privacy Act of 1974, as amended, 5 U.S.C. 552a, and those concerning release of confidential business information (CBI) as set forth in 40 C.F.R. Part U, Subpart B and EPA's TSCA Confidential Business Information Security Manual.
20. An employee may terminate his/her Flexiplace arrangement at any time without prejudice and return to his/her official duty station. Employee notice to the supervisor should be in writing and acknowledged by the supervisor to prevent misunderstandings about the employee's work location.
21. The Agency may remove an employee from the Flexiplace Program based on the employee's failure to adhere to the requirements specified in the Flexiplace Program Agreement and/or a decline in overall performance below the fully successful level. However, employees will not be removed from participation for single, minor infractions of Flexiplace Program requirements. Supervisors will counsel employees about specific problems before effecting removal. When a decision is made to remove an employee from the Flexiplace Program, the employee must be given written notice indicating the reason(s) for removal. The employee may reapply for Flexiplace Program participation 6 months after removal from the Program, provided that her/his performance is at least fully successful, and meets all other eligibility requirements.
22. The employee agrees to perform his/her officially assigned duties at either the official duty station, the alternative work location or while on official travel. Failure to comply with this provision may result in administrative action, such as charge of leave, loss of pay, termination of participation in the program, or disciplinary action, as warranted, based on the situation.
23. The employee agrees not to conduct unauthorized personal business while in official duty status at the official or alternate work location (e.g., dependent care, home repairs, real estate transactions). The employee agrees to arrange for any dependent care and other personal responsibilities in a manner that allows him/her to successfully meet job responsibilities. Flexiplace is not a substitute for dependent care.
24. This Agreement does not restrict the employee's right to change schedules in accordance with existing agreements. If a permanent change of schedule is approved, the schedule in the application package will be changed accordingly and initialed by both the employee and the supervisor.
25. The employee and the supervisor agree to attend the required training and orientation prior to participation in the Flexiplace Program.

**26. An employee must be willing to report to the official work site without delay if unexpectedly needed.**

**I have read and understood all the provisions of this work agreement and agree to abide by them.**

Employee's Signature \_\_\_\_\_ Date \_\_\_\_\_

EPA concurs with the participation of this employee and agrees to adhere to the provisions of this agreement.

Supervisor's Signature \_\_\_\_\_ Date \_\_\_\_\_

Approving Official's Signature \_\_\_\_\_ Date \_\_\_\_\_

Employee Name \_\_\_\_\_

**Official Tour of Duty:**

Pay Period Work Week	Day	Hours		Duty Station	
		From	To	Official	Alternate
Week 1	Sunday				
	Monday				
	Tuesday				
	Wednesday				
	Thursday				
	Friday				
	Saturday				
Week 2	Sunday				
	Monday				
	Tuesday				
	Wednesday				
	Thursday				
	Friday				
	Saturday				

**Appendix (4)**  
**AFGE/EPA Flexiplace Program**  
**Employee Self-Certification Time and Attendance Report**

Employee Name	Pay Period Beginning Date
Pay Period #	Pay Period Ending Date

*Enter all hours worked over the two week pay period. Place a check mark in the "F" column for days worked at the Alternate Work Location on Flexiplace.*

WEEK 1 DAY	F	START TIME	END TIME	TOTAL WORK HOURS	A/L HOURS	S/L HOURS	COMP TIME OR OT
Sunday							
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							

WEEK 2 DAY	F	START TIME	END TIME	TOTAL WORK HOURS	A/L HOURS	S/L HOURS	COMP TIME OR OT
Sunday							
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							

**Totals:    Work            /Annual        /Sick            / Comp or OT**

Employee's Signature \_\_\_\_\_ Date \_\_\_\_\_

Supervisor's Signature \_\_\_\_\_ Date \_\_\_\_\_

**Appendix (5)**  
**NOTICE OF REMOVAL**  
**From FLEXIPLACE PROGRAM PARTICIPATION**

**DATE:**

**TO:** (Name of Employee)

**FROM:** (Name of Supervisor)

**SUBJECT:** Removal of Employee Participation in EPA's Flexiplace Program

I am rescinding your participation in EPA's Flexiplace Program effective \_\_\_\_\_  
Date

The specific reason(s) for my decision is as follows:

You may reapply for participation in the Flexiplace Program no sooner than 6 months from the date of this notice, provided that your overall performance is at least fully successful and you meet all other eligibility requirements for participation.

Signature of Supervisor

Received by \_\_\_\_\_  
Signature of Employee/Date  
(Signature does not imply agreement)

**NEU/EPA Flexplace  
Program**



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D C 20460

MAY 27 1999

OFFICE OF  
ADMINISTRATION  
AND RESOURCES  
MANAGEMENT

**MEMORANDUM**

SUBJECT: Final National Treasury Employees Union Chapter 280 Agreement for Flexiplace

FROM: Romulo L. Diaz, Jr. *[Signature]*  
Assistant Administrator

TO: Assistant Administrators  
General Counsel  
Inspector General  
Chief Financial Officer  
Associate Administrators  
Staff Office Directors

I am pleased to announce that the EPA and National Treasury Employees Union (NTEU) Chapter 280 Agreement for Flexiplace has been successfully negotiated and ratified, effective April 18, 1999. This agreement, a copy of which is attached, must be implemented by all organizational locations at EPA Headquarters which have employees in the NTEU Chapter 280 bargaining unit.

I would like to congratulate the union and management negotiating team for the excellent cooperation and partnership they demonstrated while working together to conclude this agreement. A very similar but separate flexiplace agreement was signed earlier with the American Federation of Government Employees (AFGE) that covers all AFGE bargaining units throughout EPA.

This mutual agreement by NTEU Chapter 280 and management includes: (1) procedures for employees to follow in requesting flexiplace; (2) factors for management to consider in exercising its flexibility to grant or deny flexiplace, such as portability of the work, the employee's time and attendance and performance history, and the availability of funds to support flexiplace work stations; and (3) recognition of three types of flexiplace (regular, episodic, and medical). All employees in the NTEU Chapter 280 bargaining unit who wish to participate in the flexiplace program, including those that are already participating under a pilot program, must submit all appropriate forms and documentation according to the new negotiated agreement. This new agreement supersedes any other flexiplace programs for NTEU Chapter 280 bargaining unit employees.

Under appropriate circumstances, flexiplace may be beneficial to both EPA's mission and to the employee. The flexiplace agreement supports President Clinton's directives on creating a family friendly workplace by supporting the expansion of flexible family friendly work arrangements. Working at a suitable alternate location could increase the employee's productivity, could improve morale and reduce stress by giving employees more options to balance work and family demands, and may decrease traffic congestion and air pollution.

The agreement on flexiplace is separate and distinct from the partnership agreement that was implemented in March of this year on Alternative Work Space for employees suffering adverse health effects from conditions in their work station. Additionally, flexiplace is not a substitute for accommodations that may be available to disabled employees under the Rehabilitation Act.

A copy of the agreement is located on the EPA Intranet at the following website address: <http://intranet.epa.gov/rmpolicy/hr/nteuflex.pdf>. Should you have any questions please contact Robert Stevens at (202) 260-5651 or Linda Wallace at (202) 260-3686.

**Attachment**

cc: James Murphy, President NTEU Chapter 280  
Program Management Officers  
Headquarters Human Resources Staff Directors

## **NTEU CHAPTER 280/EPA FLEXIPLACE PROGRAM**

### **TABLE OF CONTENTS**

- I. Scope and Terms of Agreement
- II. Purpose
- III. Definitions
- IV. Responsibilities
- V. Eligibility
- VI. Criteria for Approval/Disapproval
- VII. Flexiplace Guidelines
- VIII. Application Process and Procedures
- IX. Withdrawal or Removal from Flexiplace Program
- X. Changes
- XI. Problems with Potential Affect on Work Performance
- XII. Implementation

### **APPENDICES**

- (1) Application
- (2) Safety Checklist
- (3) Work Agreement
- (4) Employee Certification of Time & Attendance Report
- (5) Notice of Removal from Flexiplace

## **I. Scope and Terms of This Agreement**

The parties agree that the implementation and administration of the EPA Flexiplace Program in the NTEU Chapter 280 bargaining unit will be governed by applicable law, government-wide rules and regulations, and this agreement.

## **II. Purpose**

A well-managed Flexiplace program promotes the Agency's mission by decreasing traffic and parking congestion, energy consumption and air pollution. It further addresses the government's challenge of improving the quality of worklife, job performance, and increasing productivity.

## **III. Definitions**

A. **Flexiplace.** Flexiplace is the assignment to work at an alternate work location other than an employee's official work station. Participation is voluntary. Generally, any occupation/job involving portable work can be considered for inclusion. Management will approve participation based on such factors as mission accomplishment, costs, and benefits to the organization and employees. There are three forms of Flexiplace covered by this agreement:

1. **Regular.** Under this type of Flexiplace arrangement, employees may request the performance of duties at an alternate work location on a regular and recurring basis. Normally, employees will be scheduled to work, at the discretion of their supervisor, no more than four days in any two week pay period at the Alternative Work Location (AWL).

2. **Episodic.** This form of Flexiplace is appropriate for work or assignments of specific limited duration that can be performed at an AWL.

3. **Medical.** This form of Flexiplace is designed for the continued accomplishment of Agency work while an employee has a medical condition which does not affect the employee's ability to perform his or her regular work assignment at an AWL. The Agency may request the employee to provide a physician's statement of incapacitation or other acceptable evidence related to the reason for the employee's Medical Flexiplace request.

The Employer may approve up to 5 days per week at the AWL. This type of Flexiplace is not intended to be a permanent arrangement and will normally not exceed 6 months. This time period may be extended where the eligibility factors and other requirements of this agreement are met. Such extensions will not be unreasonably denied.

B. **Alternate Work Location (AWL).** The AWL is an agreed-upon work location other than the employee's official work station.

C. **Portable Work.** Work that is normally performed at the employee's official work site but which can be performed with equal effectiveness at another location with respect to quality, quantity, timeliness, customer service and other aspects of mission accomplishment. It is understood that this work is part of the employee's regular assignment and does not involve a change in duties or the way assignments are performed.

#### **IV. Responsibilities**

A. Management is responsible for approving the use of Flexiplace in accordance with the terms of this agreement and in consideration of such factors as mission accomplishment, service to the public, and costs and benefits to the Agency and its employees.

B. Employees are responsible for the following:

1. Completing required applications/agreements to participate in program.
2. Making timely advance requests for use of Flexiplace in a manner that allows approving official sufficient time to consider and plan for the request.
3. Observing agreed upon hours of work in accordance with established policies and bargaining agreement(s).
4. Observing established policies and procedures for requesting and using leave.
5. Safeguarding Agency equipment and supplies and using them only for official purposes.
6. Completing the Employee Self-Certification of Time and Attendance Report and returning it to the supervisor on a biweekly basis. (Appendix 4)
7. Performing only official EPA business while on a Flexiplace assignment, including maintaining an AWL environment that is free from distractions and interruptions.
8. Maintaining compliance with appropriate health and safety regulations, and reporting unsafe working conditions.

#### **V. Eligibility**

In order to participate in the Flexiplace program, an employee must:

1. Have volunteered for the program.
2. Have supervisory approval for participation.
3. Have worked as an EPA employee for at least one year.
4. Not be a probationary or temporary employee.
5. Not have had documented performance or conduct deficiencies within the preceding 12 months.
6. Have portable work.
7. If working at home, be able to provide an appropriate work location with adequate space not subject to undue interruption which would impact productivity and access to a telephone.
8. Have demonstrated the ability to work independently.

## **VI. Criteria for Approval/Disapproval**

### **A. Criteria for approval includes the following.**

1. Portability of the work.
2. Reasonableness and practicality of the request with respect to such issues as complexity of administrative arrangements that need to be made or potential impact on other employees' work load.
3. Additional cost to the Agency.
4. Availability of necessary equipment.
5. Service delivery to internal and external customers, including office coverage.
6. Needs of the employee.

### **B. Generally, requests will not be approved if any of the following conditions apply:**

1. The nature of the position is such that it cannot be performed from an alternative work location.
2. The employee has been with the Agency for less than one year.
3. The work being performed requires extensive face to face contact with supervisors, other employees, clients or the general public.
4. The work being performed requires access to material which is routinely required to accomplish assignments and cannot be removed from the official work site.
5. Performance or conduct deficiencies, including time and attendance, have been identified and documented.
6. The employee's work schedule is insufficient to provide both office and Flexiplace days because of a limited tour of duty.
7. The work requires close supervision because the employee is new to the work or is being trained on new or developmental duties, or other work monitoring requirements.
8. The employee has not demonstrated an ability to work independently, including time management.

## **VII. Flexiplace Guidelines**

**A. Work Agreement.** Employees who have been approved for Flexiplace assignments must sign a Flexiplace Work Agreement (Appendix 3) that covers the terms and conditions of participation in the Flexiplace Program. This agreement will provide employees with sufficient information about the Flexiplace Program so they can make an informed decision whether to participate. When signed, this agreement documents commitment by the employee and his/her supervisor to adhere to Flexiplace policies. The work agreement includes the following items:

1. Privacy Act/security provisions for government property and records;
2. Personal and financial liability;
3. Agreement to release telephone number of approved alternative work location to customers.
4. Voluntary nature of the arrangement.

5. Length of the Flexiplace assignment.
6. Days and hours of duty for each duty station.
7. Location of AWL.
8. Responsibilities for timekeeping, leave approval, overtime or compensatory time.
9. Work assignments for the AWL.

**B. Work Schedules.** The same work schedule rules that apply at the regular work site apply at the alternate work location. This agreement is separate from and does not modify existing compressed work week policies and schedules.

**C. Position Descriptions and Performance Issues.**

1. **Position Descriptions.** Changes to position descriptions are not necessary because the actual duties to be performed should remain the same.

2. **Performance Standards.** Critical elements and performance standards must have clearly defined performance requirements that are quantifiable, measurable and/or results oriented. Changes should not be necessary because the actual duties to be performed and any assessment of results should remain the same at the AWL.

**D. Records Management**

EPA employees are required to comply with the following guidelines on using records or duplicating records when working at Flexiplace locations. Compliance with these Flexiplace policies will protect the Agency and the employee in the event of litigation or investigation. During an investigation, all relevant records must be made available to investigators and auditors.

1. Any official record removed for Flexiplace assignments remains the property of EPA. Additionally, any official record that is generated from Flexiplace assignments becomes the property of EPA.

2. Confidential and Privacy Act information will continue to be properly safeguarded at the AWL just as it is at the official duty station using established procedures as permitted and authorized (for example, the EPA TSCA Confidential Business Information Security Manual).

3. Employees must comply with any and all other applicable records security laws, regulations and policies.

**E. Time and Attendance**

1. Employees performing work at the AWL are subject to the same maximum workday limits as they would be if they were performing work at the official duty station. Employees performing work at the AWL are not authorized to work overtime or official compensatory

time, except in special circumstances (e.g., to meet priority needs of the Agency). In these situations, prior approval must be obtained from their supervisor.

2. Employees performing work at the AWL will follow established procedures for requesting and obtaining approval of leave, in accordance with applicable laws, rules, regulations, and Agency policies.

3. Certification and Control of Time and Attendance (T&A). Federal policy and procedures governing certification of time and attendance require agencies with employees working at an AWL to provide reasonable assurance that they are working when scheduled and absences during the work day are accounted for. Employees must self-certify time and attendance to their supervisor. This may be done electronically, by report (see Appendix 4 for an example), or in accordance with other established procedures.

4. Administrative Leave/ Emergency Closings/Late Openings/ Dismissals: Employees are not entitled to excused absence for emergency closings, delayed openings or early dismissals for conditions or events that do not affect their reporting for duty at the alternative work location. In the event that conditions prevent the employee from performing his/her duties at the alternative work location (e.g., power outage), the employee must report to the official work site if it is open, subject to the same excused absence allowances provided to other employees at that site, or request appropriate leave.

#### F. Fair Labor Standards Act

The existing rules in Title 5 U.S.C. and in the Fair Labor Standards Act governing overtime also apply to Flexiplace arrangements. All overtime work for employees in Flexiplace assignments must be approved in advance by the supervisor.

#### G. Workers Compensation

Flexiplace employees are covered by the Federal Employees Compensation Act (FECA). Employees can qualify for continuation of pay or Workers Compensation for on-the-job injury or occupational illness if injured in the course of performing official duties at the official duty station or the alternate work location. Supervisors must ensure that claims of this type are immediately brought to the attention of the servicing Human Resources Office. Any accident or injury occurring at the alternate work location must be brought to the immediate attention of the supervisor. Because the Agency is liable for potential workers compensation costs, the Agency shall have the right to conduct inspections of employees' Alternate Work Location(s), provided 24 hours advance notice is given and the employee is working at the alternate work site on the day of the inspection.

#### H. Pay Rates

1. Duty Station. For pay purposes, the "official duty station" is the employee's Federal office.

2. Special Salary Rates. The employee's official duty station serves as the basis for determining special salary rates.

3. Premium Pay. The same rules and regulations apply for night differentials and Sunday and holiday pay whether work is accomplished at the conventional or AWL. The employee's official work schedule determines his/her entitlement to premium pay. Working at night, on Sundays or on holidays requires pre-authorization by the supervisor, whether working at the traditional work site or at an AWL.

## I. Facilities

1. Home Office Space. If working at home, employees participating in Flexiplace should have a designated work area for performance of their work-at-home duties. Requirements will vary, depending on the nature of the work and the equipment needed to perform the work.

2. Equipment and Expenses. The Agency will provide appropriate equipment, when it is available, for employees to perform work at the Flexiplace work site. Employees may choose to use home personal computers and other office equipment in support of their Flexiplace requests. The Agency will not be responsible for any operating costs, home maintenance, homeowners or renters insurance, or other residential costs associated with a flexiplace assignment except the Agency will pay the cost for authorized telephone calls (including toll calls) incurred for official Agency business.

a. Telephones. EPA may provide telephone credit cards or may reimburse an employee working under an approved Flexiplace Agreement for business-related long-distance and toll calls on his/her personal phone. EPA may install telephone lines and other necessary equipment and pay monthly telephone charges in private residences under special circumstances. The Agency reserves the right to determine the most cost-effective manner of covering telecommunications costs.

b. Laptop Computers, Agency-owned Equipment, etc. When available, Agency-owned property, such as laptop computers and other telecommunications equipment, may be used by employees in their private residences, provided the equipment is used only for official business. Strict adherence to regulations concerning the safeguarding and removal of all equipment is essential. Prior approval through the appropriate channels must be obtained before any property is removed from the Agency and property passes must be issued for each piece of equipment. All equipment, software, data, and supplies furnished by the Agency shall remain the sole property of the Agency. Employer-owned software shall not be duplicated for private use or profit. Employees must agree to return these items upon request of the Agency for maintenance or any other reason, or upon termination of the Flexiplace agreement. Employees are responsible for the safety and security of all equipment and data provided by or generated for the Agency, including maintaining security and confidentiality. Employees are solely responsible for maintaining any personally-owned equipment.

c. Supplies. If needed, the Agency will provide necessary office supplies, (paper, pens, diskettes, etc.), subject to applicable rules and regulations regarding use of government property.

3. Miscellaneous Expenses. Employees are expected to plan for and accomplish necessary photocopying, mail, and facsimile transmissions at the AWL. In emergency situations, and with the prior approval of the supervisor, costs associated with the copying of work-related materials, facsimile charges, express mail, etc., may be reimbursed.

4. Workplace Is Not a Government Facility. While the Agency may own some of the property and materials used by the employee in the home workplace, the employee agrees and understands that the home work place is not a Government facility, and that costs of safeguarding, insuring, and maintaining the home work place and the Government property therein are the sole responsibility of the employee.

5. Questions related to claims for personal property damage or loss or personal injury related to the employee's performance of official duties should be directed to the servicing Human Resources Office. The Agency will address issues of employee or Agency liability in accordance with the specific facts of each case and under the provisions of the Federal Employees Claims Act, the Federal Tort Claims Act, the Military Personnel and Civilian Employees Claims Act, and applicable law, as appropriate .

6. Generally, a Federal tax deduction is not allowed for a home office or work space unless used exclusively on a regular basis as a principal place of business. Employees who believe they may be entitled to a tax deduction based on home office or work space, depreciation of employee-owned personal computers and related equipment, etc., should consult their tax advisors or the Internal Revenue Service for information on tax laws and interpretations.

## **VIII. Application Process and Procedures**

The following language describes application procedures:

A. The employee will submit the attached application for performing work at the AWL. The application will describe the nature of the duties to be performed and the specific day(s) requested. The request will be submitted to management for approval. The decision will be provided to the applicant in writing as soon as possible, normally within 15 calendar days.

B. The Application must be submitted within a reasonable advance period allowing sufficient time for the approving official to consider and plan for the request. If the assignment is initiated by the supervisor, and the employee concurs, the employee is still responsible for submitting a Flexiplace Program Application.

C. The criteria for approving a request to work at the AWL will be based on the terms of this agreement.

D Employees and their supervisors approved for the Flexiplace Program must receive applicable guidance, which may include training and/or other types of communication, which provides an overview of the program and the requirements for participation.

#### **IX. Withdrawal or Removal from the Flexiplace Program**

A. An employee may terminate his/her Flexiplace arrangement at any time without prejudice and return to his/her official duty station. Employee notice to the supervisor should be in writing and acknowledged by the supervisor to prevent misunderstandings about the employee's work location.

B. The Agency may remove an employee from the Flexiplace Program based on the employee's failure to adhere to the requirements specified in the Flexiplace Program Agreement and/or any performance or conduct issues or concerns which adversely affect or alter the conditions pertaining to any of the approval criteria identified in Section VI. When a decision is made to remove an employee from the Flexiplace Program, the employee must be given written notice indicating the reason(s) for removal (Appendix 5). The employee may reapply for Flexiplace Program participation 6 months after removal from the Program, provided that his/her performance and conduct are fully satisfactory.

#### **X. Changes**

A. When any aspect of the work agreement changes (e.g, position, work assignment, supervisor, alternate work location, etc.), the employee and supervisor will reassess the employee's work for Flexiplace suitability and continued approval.

#### **XI. Problems with Potential Affect on Work Performance**

A. Employees will promptly inform supervisors whenever any problems arise which adversely affect their ability to perform work at the AWL. Examples could include situations such as equipment failure, power outages, telecommunications difficulties, etc.

B. In the event of a local emergency situation which adversely affects employees' ability to commute to the workplace (e.g., transit strike, natural disaster), the parties agree to meet immediately to discuss possible temporary Flexiplace arrangements for affected employees.

#### **XII. Implementation**

A. The provisions of this agreement do not modify government-wide laws, regulations or the Collective Bargaining Agreement for using Flexiplace (or some variation of the program) as a reasonable accommodation for qualified disabled individuals.

B EPA bargaining unit employees who are using Flexiplace arrangements as of the union ratification date will continue under that arrangement until 30 days after the effective date of this agreement, when they will be required to comply with these provisions.

C. Violations of this agreement are subject to the negotiated grievance procedure between the parties.

D. This agreement becomes effective on the 31<sup>st</sup> day after the completion of Agency Head Review. If any portion is properly disapproved, the remaining portion will become effective and the parties will return to the bargaining table as soon as possible to resolve outstanding issues.

E. Union and management will meet within 12 months of the implementation date of this agreement to review available data and to discuss and identify concerns or issues regarding the Flexiplace program. NTEU participants will be provided official time to prepare for and participate in these meetings. If further meetings are necessary, they will be jointly arranged.

1. The following information on each AAship and Regional Office will be provided to the Union no later than one year from signature date of this agreement:

a. Name, job title, series and grade and location of every employee on Flexiplace as of December 31, 1999

b. Type of Flexiplace (Regular, Episodic, Medical)

c. For employees participating in the Regular Flexiplace, the number of flexiplace days in the pay period at the alternative work location

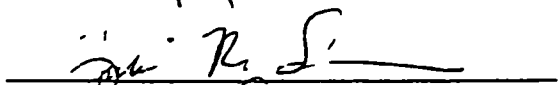
d. Beginning and ending date (projected or actual) of each employee's Flexiplace assignment

2. An electronic copy of this agreement will be placed on the EPA Intranet and widely publicized. A hard copy will be provided to new employees and other bargaining unit employees upon request.

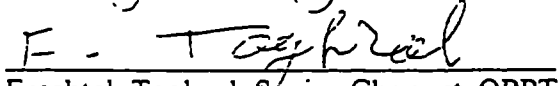
3. This agreement will become a part of the NTEU Chapter 280 contract and will not be reopened except by mutual agreement during the life of the contract.

For NTEU Chapter 280:

3/17/99

  
Julie R. Simpson, Chief Negotiator

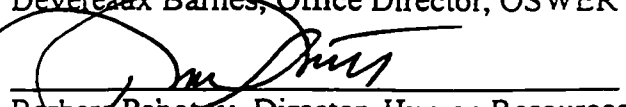
  
Rosezella Canty-Letsome, Chief Steward

  
Freshteh Toghrol, Senior Chemist, OPPTS

For EPA: 3/18/99

  
Robert H. Stevens, Chief Negotiator

  
Devereaux Barnes, Office Director, OSWER

  
Barbara Pabotoy, Director, Human Resources  
Staff and Associated Activities, OAR

**NIEU/EPA Flexiplace  
Application**

## NTEU/EPA FLEXIPLACE APPLICATION FORM

Employee Name \_\_\_\_\_ Telephone \_\_\_\_\_ Mailcode \_\_\_\_\_

Job Title/Series/Grade \_\_\_\_\_

Division/Office \_\_\_\_\_

\_\_\_\_\_ New Request      \_\_\_\_\_ Change Request      \_\_\_\_\_ Annual Recertification

Home/Alternate Work Site Address \_\_\_\_\_

Home/Alternate Work Site Telephone \_\_\_\_\_ Fax \_\_\_\_\_

First Line Supervisor \_\_\_\_\_ Telephone Ext. \_\_\_\_\_

Type of Flexiplace    \_\_\_ Regular    \_\_\_ Episodic    \_\_\_ Medical

Number of days/duration of Flexiplace requested \_\_\_\_\_

Description of work to be performed at Alternate Work Location:

I certify that I received a Pass performance appraisal rating under the PERFORMS Program, or an equivalent rating.

I certify that I have work space at the alternate work location suitable for performing work.

I certify that I am willing to sign and abide by the Flexiplace Program Work Agreement.

If request is for medical flexiplace, medical evidence supporting the request and the projected duration that it will be needed is attached to the application.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

\*\*\*\*\*

### ACTION ON APPLICATION

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_

Specific Reason for Disapproval: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Supervisor's Signature \_\_\_\_\_ Date \_\_\_\_\_

Approving Official's Signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTE: A copy of this form should be maintained by the employee, the supervisor and a copy sent to the appropriate Flexiplace Coordinators.**

## EMPLOYEE SELF-CERTIFICATION SAFETY CHECKLIST

*The following checklist is designed to assess the overall safety of the AWL and must be completed and given to your supervisor with your application for the Flexiplace program.*

	Yes	No	N/A	Comments
1. Is the space free of asbestos material?				
2. If NO, is the asbestos undamaged and in good condition?				
3. Does the space appear to be free of indoor air quality problems?				
4. Is the work space free from excess noise?				
5. Is water available and drinkable in the space?				
6. Is ventilation adequate?				
7. Is a bathroom available with hot and cold running water?				
8. Are there handrails for stairs with more than 3 steps?				
9. Are circuit breakers/fuses in the electrical panel labeled as to intended service?				
10. Do circuit breakers clearly indicate if they are opened or closed?				
11. Is electrical equipment free of recognized hazards that would cause physical harm (for example, frayed wires, bare conductors, loose wires, exposed wires fixed to the ceiling, a rat's nest of plugs in a single outlet and so on)?				
12. Will the building's electrical system permit the grounding of electrical equipment?				
13. Are aisles, doorways, and corners free of obstructions to permit visibility and movement?				
14. Do file cabinets and storage closets open so they do not obstruct walkways?				
15. Do chairs have stable and secure wheels/casters?				
16. Are rungs and legs of chairs stable and sturdy?				
17. Are the phone lines, electrical cords and extension wires safely secured?				
18. Is the office free of combustible materials?				
19. Is there adequate electrical lighting to accomplish the work assignments?				
20. Are floor surfaces clean, dry, and level?				
21. Are carpets well secured to the floor and free of frayed or worn seams?				
22. Are there any other known safety issues that should be addressed for this work space?				

*Signing this form does not guarantee that the AWL is hazard free, but does verify that the employee has made a reasonably careful inspection for potential hazards. Employees are responsible for informing their supervisors of any changes to their AWL which could impact on health and safety of the employee and others.*

Employee's Signature \_\_\_\_\_

Date \_\_\_\_\_

Supervisor's Signature \_\_\_\_\_

Date \_\_\_\_\_



## NTEU/EPA FLEXIPLACE WORK AGREEMENT

All terms set forth in the NTEU/EPA Flexiplace Agreement ("Flexiplace Agreement") are hereby incorporated by reference in this work agreement.

Name \_\_\_\_\_ Mailcode \_\_\_\_\_

1. Employee agrees to adhere to the NTEU/EPA Flexiplace Agreement. EPA, hereinafter referred to as Agency, concurs with employee participation and agrees to adhere to the NTEU/EPA Flexiplace Agreement.

2. Duty Station. All pay, special salary rates, leave and travel entitlements will be based on the employee's official duty station.

Official duty station: \_\_\_\_\_

Alternate Work Location (the location in which the employee is designated to work while not at the official duty station): \_\_\_\_\_

3. Please describe the designated work area in the alternative work location.

4. Employee's timekeeper will have a copy of the employee's Flexiplace schedule. Employee's time and attendance will be recorded as Flexiplace Time using a special code established for this purpose. Employee's supervisor will certify bi-weekly time and attendance for hours worked. Employee must complete the "Employee Self-Certification Time and Attendance Report" (Appendix 4) and return it to his or her supervisor on a bi-weekly basis.

5. Employees performing work at the alternative work location will follow established procedures for requesting and obtaining approval of leave, in accordance with applicable laws, rules, regulations, and Agency policies.

6. Employees performing work at the AWL are subject to the same maximum workday limits as they would be if they were performing work at the official duty station. Employees performing work at the AWL are not authorized to work overtime or official compensatory time, except in special circumstances (e.g., to meet priority needs of the Agency). In these situations, prior approval must be obtained from their supervisor.

7. An employee who is authorized to use Agency equipment will protect the Agency equipment in accordance with the procedures established in FIRMR Bulletin 30, dated October 15, 1985. An employee who provides his/her own equipment is responsible for installing, servicing, and maintaining it.

8. Provided the employee is given at least 24 hours advance notice, the employee agrees to permit periodic inspections of his/her AWL during the employee's normal working hours to ensure site conformance with safety standards and other specifications in these guidelines. Such inspections will occur only on days when the employee is working at the AWL.

9. Questions related to claims for personal property damage or loss or personal injury related to the employee's performance of official duties should be directed to the servicing Human Resources Office. The Agency will address issues of employee or Agency liability in accordance with the specific facts of each case and under the provisions of the Federal Employees Claims Act, the Federal Tort Claims Act, the Military Personnel and Civilian Employees Claims Act, and local law as appropriate.

10. The Agency will not be responsible for operating costs, home maintenance, homeowners or renters insurance, or other residential costs except the Agency will pay the cost for authorized telephone expenses (including toll calls) incurred for official Agency business.

11. The Agency will provide necessary office supplies that are regularly available at the Agency (such as paper, pens, printer ribbons, diskettes, envelopes, tape, staples, etc.).

12. EPA may provide telephone credit cards or may reimburse an employee working under an approved Flexiplace Agreement for business-related long-distance and toll calls on his/her personal phone. EPA may install telephone lines and other necessary equipment and pay monthly telephone charges in private residences under special circumstances. The Agency reserves the right to determine the most cost-effective manner of covering telecommunications costs.

13. Employees are expected to plan for and accomplish necessary photocopying, mail, and facsimile transmissions at the regular work site. In emergency situations, and with the prior approval of the supervisor, costs associated with the copying of work-related materials, facsimile charges, express mail, etc., may be reimbursed.

14. The employee is covered under the Federal Employee's Compensation Act (FECA) if injured in the course of performing official duties at the official or alternate duty location, in accordance with applicable Department of Labor regulations and standards governing FECA liability.

(NOTE: Any accident or injury occurring at the alternate duty station must be brought to the immediate attention of the supervisor and the servicing Human Resources Office. Because an employment-related accident sustained by an employee participating in the Flexiplace Program could occur outside the premises of the official duty station, the supervisor must investigate all reports immediately following notification.)

15. An employee in an Alternative Work Location other than a federally controlled site must complete the "Employee Self-Certification Safety Checklist," which identifies significant safety standards that should be met, and submit it to his/her supervisor prior to participating in the Flexiplace Program.

16. The employee will communicate as needed with his/her supervisor to receive assignments and have completed work reviewed in accordance with the supervisor's instructions.

17. The employee will complete all assigned work in accordance with his/her supervisor's instructions. Progress reviews under Article XVIII as revised by the parties will be used by the supervisor in his/her assessment of the employee's job performance. The supervisor will evaluate employee's job performance against performance standards established in the employee's performance agreement.
18. To participate in the Flexiplace Program, an employee must have a performance appraisal rating of Pass under the PERFORMS Program, or an equivalent rating.
19. The employee agrees to use approved safeguards to protect Agency records from unauthorized disclosure or damage and to comply with the requirements set forth in the Privacy Act of 1974, as amended, 5 U.S.C. 552a, and those concerning release of confidential business information (CBI) as set forth in 40 C.F.R. Part U, Subpart B and EPA's TSCA Confidential Business Information Security Manual .
20. An employee may terminate his/her Flexiplace arrangement at any time without prejudice and return to his/her official duty station. Employee notice to the supervisor should be in writing and acknowledged by the supervisor to prevent misunderstandings about the employee's work location.
21. The Agency may remove an employee from the Flexiplace Program based on the employee's failure to adhere to the requirements specified in the Flexiplace Program Agreement and/or any performance or conduct issues or concerns which adversely affect or alter the terms of this agreement. When a decision is made to remove an employee from the Flexiplace Program, the employee must be given written notice indicating the reason(s) for removal. The employee may reapply for Flexiplace Program participation 6 months after removal from the Program, provided that his/her performance and conduct are fully satisfactory, and meets all other eligibility requirements.
22. The employee agrees to perform his/her officially assigned duties at either the official duty station, the alternative work location or while on official travel. Failure to comply with this provision may result in administrative action, such as charge of leave, loss of pay, termination of participation in the program, or disciplinary action, as warranted, based on the situation.
23. The employee agrees not to conduct unauthorized personal business while in official duty status at the official or alternate work location (e.g., dependent care, home repairs, real estate transactions). The employee agrees to arrange for dependent care and other personal responsibilities so as to insure that the employee can work without interruption. Flexiplace is not a substitute for dependent care.
24. This Agreement does not restrict the employee's right to change schedules in accordance with existing agreements. If a permanent change of schedule is approved, the schedule in the application package will be changed accordingly and initialed by both the employee and the supervisor.

25. The employee and the supervisor agree to attend the required training and orientation prior to participation in the Flexiplace Program.

26. An employee must be willing to report to the official work site without delay if unexpectedly needed.

27. The employee agrees to release the telephone number of the approved alternative work location to customers.

**I have read and understood all the provisions of this work agreement and agree to abide by them.**

Employee's Signature \_\_\_\_\_ Date \_\_\_\_\_

EPA concurs with the participation of this employee and agrees to adhere to the provisions of this agreement.

Supervisor's Signature \_\_\_\_\_ Date \_\_\_\_\_

Approving Official's Signature \_\_\_\_\_ Date \_\_\_\_\_

**NTEU/EPA Flexiplace Program**  
**Employee Self-Certification Time and Attendance Report**

<b>Employee Name:</b>	<b>Pay Period Beginning Date:</b>
<b>Pay Period #</b>	<b>Pay Period Ending Date:</b>

*Enter all hours worked over the two week pay period. Place a check mark in the "F" column for days worked at the Alternate Work Location on Flexiplace.*

<i><b>WEEK 1</b></i> <i><b>Day</b></i>	<i><b>F</b></i>	<i><b>Start Time</b></i>	<i><b>End Time</b></i>	<i><b>Total Work Hours</b></i>	<i><b>A/L Hours</b></i>	<i><b>S/L Hours</b></i>	<i><b>COMP TIME or OT</b></i>
Sunday							
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							

<i><b>WEEK 2</b></i> <i><b>Day</b></i>	<i><b>F</b></i>	<i><b>Start Time</b></i>	<i><b>End Time</b></i>	<i><b>Total Work Hours</b></i>	<i><b>A/L Hours</b></i>	<i><b>S/L Hours</b></i>	<i><b>COMP TIME or OT</b></i>
Sunday							
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							

Totals: Work \_\_\_\_\_/Annual \_\_\_\_\_/Sick \_\_\_\_\_/Comp or OT \_\_\_\_\_

Employee's Signature \_\_\_\_\_ Date \_\_\_\_\_

Supervisor's Signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTICE OF REMOVAL  
FROM FLEXIPLACE PROGRAM PARTICIPATION**

**DATE:**

**TO:** (Name of Employee)

**FROM:** (Name of Supervisor)

**SUBJECT:** Removal of Employee Participation in EPA's Flexiplace Program

I am rescinding your participation in EPA's Flexiplace Program effective \_\_\_\_\_  
Date

The specific reason(s) for my decision is as follows:

You may reapply for participation in the Flexiplace Program no sooner than 6 months from the date of this notice, provided that your overall performance rating is a Pass under the PERFORMS Program or an equivalent rating, and you meet all other eligibility requirements for participation.

\_\_\_\_\_  
Signature of Supervisor

Received by \_\_\_\_\_  
Signature of Employee/Date  
(Signature does not imply agreement)






**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
**WASHINGTON, D.C. 20460**

**JAN 28 1999**

**OFFICE OF  
ADMINISTRATION  
AND RESOURCES  
MANAGEMENT**

**MEMORANDUM**

**SUBJECT:** Uniform Criteria and Procedures for Requesting and Assigning Alternative Work Space

**FROM:** Romulo L. Diaz, Jr.   
Assistant Administrator

**TO:** All EPA Headquarters Employees

I am very pleased to announce that the newly completed Uniform Criteria and Procedures for Requesting and Assigning Alternative Work Space will become effective February 1, 1999.

This program is the successful product of partnership at work in the interest of EPA and our employees. It is the result of the combined energies, and efforts, talents and persistence of both management and bargaining unit representatives working to support the leadership of the Headquarters Partnership Council.

Employees currently in an alternative work space (AWS) arrangement must notify their immediate supervisor of his/her status within 30 days of the effective date of the AWS agreement (by close of business on March 2, 1999). In addition, the employee must submit a completed AWS Form, including the statement of recommendations, no less than six months from the effective date of the AWS agreement (by COB on August 2, 1999). Finally, the agreement requires the employee to recertify their status two years from the date of approval.

Program materials and information will be available from the Alternative Work Space Oversight Committee, Chaired by the Office of Human Resources and Organizational Services. A training and informational support program will be announced in the immediate future as well as a dedicated telephone number for the Alternative Work Space Oversight Committee. This will provide both managers and employees with the information and guidance they need to make this program work efficiently and in the best interests of partnership.

Should you have questions at this time, please call your union representative or Tonya Hamlett in the Office of Human Resources and Organizational Services at 260-0031.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

DEC 7 1998

OFFICE OF  
ADMINISTRATION  
AND RESOURCES  
MANAGEMENT

**MEMORANDUM**

SUBJECT: Partnership Agreement on EPA Headquarters Alternative Work Space Program

FROM: John C. Chamberlin, Director  
Office of Administration

TO: Headquarters Employees

As Chairperson of the Headquarters Partnership Council, I am pleased to be able to announce the completion of an EPA headquarters partnership agreement on *Uniform Criteria and Procedures for Requesting and Assigning Alternative Work Space*. This partnership accomplishment serves as an outstanding example of what can be achieved through persistent team efforts. It is certainly a success for partnership, an improvement of customer service, and a mutually acceptable resolution of a complex and difficult issue.

On November 30, 1998, senior representatives of EPA management, American Federation of Government Employees (AFGE) Local 3331 and National Treasury Employees Union (NTEU) Chapter 280 signed the agreement signifying acceptance of the partnership document on alternative work space by the Headquarters Partnership Council. Our NTEU Chapter 280 partners have informed us that they hope to complete their mandatory ratification vote by the end of the calendar year. The official implementation date of this program is anticipated for early next year and will be accompanied with detailed briefings and training.

I am sure you share my appreciation for the efforts of the partnership work team that has labored with this issue for more than two years. The team was made up of senior representatives from AFGE Local 3331; NTEU Chapter 280, the Safety, Health and Environmental Management Division; the Facilities Management and Services Division; the Office of General Counsel, the Office of Human Resources and Organizational Services; and the Office of Enforcement and Compliance Assurance. Together they have set a new standard for results through partnership.

I have attached an executive summary of the agreement to this memorandum. Copies of the full agreement are available in both the NTEU and AFGE offices as well as the Safety, Health and Environmental Management Division in room 1606 NE Mall. If you have any questions, please call Dennis Bushta at 202-260-7183.

Attachment

**EXECUTIVE SUMMARY for  
UNIFORM CRITERIA AND PROCEDURES FOR  
REQUESTING AND ASSIGNING ALTERNATIVE WORK SPACE**

A workgroup comprised of representatives from the Headquarters unions and management has worked cooperatively over two years to develop a guidance document for employees and supervisors regarding Alternative Work Space (AWS).

**SECTION I – PURPOSE**

This Agreement establishes uniform criteria and procedures for HQ employees applying for, receiving or continuing to work in AWS solely because of claims of adverse health effects caused or aggravated by some physical condition associated with the work station. It also provides guidance for supervisors reviewing and deciding on requests for AWS and requires a Work Agreement (discussed twice a year at mid-year and end-of-year performance evaluations) between the employee and management.

**SECTION II – APPLICABILITY**

This AWS program applies only to Headquarters employees in the D.C. area.

**SECTION III – DEFINITIONS**

Terms used in the document, e.g., “alternative work space” and “physician,” are defined.

**SECTION IV – REQUESTS FOR IMMEDIATE RE-LOCATION**

If an employee requests immediate relocation due to adverse health effects believed to be associated with the officially assigned work site, the supervisor must first contact Facilities to determine if painting, construction, re-carpeting or other activities are the cause. If there are no apparent physical causes, then the supervisor should request Safety and Health to conduct an evaluation of the employee's work station. Concurrent with these requests to Facilities and/or Safety and Health, the supervisor should consider:

1. relocating the employee to a different work station in the same or another building;
2. assigning the employee to a flexiplace;[this is to be limited to availability only as an option while the employee is providing required information and the work space assessed].
3. working with FMSD to relocate the employee to the “clean space” in Crystal Station, or
4. approving administrative, sick or annual leave for the employee.

At any time, the employee may request to be assigned to AWS by completing the AWS Form

**SECTION V – APPLYING FOR AWS**

This section covers both new requests for AWS status and also requests to continue in

AWS. To be eligible, an employee must be able to successfully perform the critical elements of his or her assigned duties outside of the officially assigned work station, taking into account whether there are duties not currently assigned to the employee that the employee can perform from a location other than the officially assigned work station. AWS arrangements are considered on an individual basis. The decision to approve or continue an employee's participation in AWS is the responsibility of and at the discretion of the supervisor, in accordance with criteria and procedures established in the Agreement.

### **Step 1: Applying for AWS**

**New Requests:** Employee completes an AWS Space Form

**Requests to Continue Current AWS Status:** An employee in AWS must submit a completed AWS Space Form, including a new statement of recommendations from his/her physician, within six months from this Agreement's effective date. AWS status will be considered not in effect if the deadline passes and updated information is not submitted. If the supervisor receives the documents on time, then the employee will remain in the prior AWS arrangement until the supervisor has made a decision based on the new information. Should the employee choose to appeal the decision, he or she may remain in the current work station until the appeal or grievance process is completed.

**Renewing/Updating the AWS Form:** Employee must submit an updated AWS Form every two years, or at the occurrence of one of the following events, whichever is sooner:

1. The treating physician or practitioner recommends reevaluation of AWS;
2. Where the employee is located in an EPA facility, and there is a proposed change in the physical location of the employee, or an alteration of the work station, that is relevant to the Statement of Recommendations; or
3. The employee notifies the supervisor of a change in his or her medical condition or status

### **Step 2: Deciding the AWS request**

Upon receiving a completed AWS Form, a supervisor must decide, in writing, within 30 calendar days whether to approve or not. The supervisor shall consider:

1. Whether the critical elements of the employee's performance plan can be performed at a location other than the officially assigned work station. The supervisor and employee may need to work together to consider the possibility of restructuring the employee's duties and/or assignments; and
2. The information contained in the Statement of Recommendations completed by the treating physician or practitioner.

If the supervisor initially cannot make a determination based on the information received, then the supervisor may:

1. In writing, request written clarification from the employee;
2. With the employee's permission and/or involvement, request in writing clarification from the treating physician or practitioner;
3. Seek the advice of the AWS Program Oversight Committee (with employee); or
4. With employee's written authorization, consult with the EPA Health Unit physician to assist in providing a written interpretation of the Statement of Recommendations.

This responsibility and authority to decide on the AWS request rests with the supervisor. The responsibility to initiate the request and provide sufficient information and documentation as described in this program rests with the employee.

### **Step 3: Assigning a Work Site for the AWS Employee**

Available options include a different work station in the same building, a work station in another EPA or GSA building, an AWS space provided by the Agency, or a location other than an EPA building.

## **SECTION VI – AWS WORK AGREEMENT**

The supervisor and employee must finalize a Work Agreement (at Appendix B) that identifies the work assignments the employee is qualified and able to perform at a location other than the officially assigned work station.

## **SECTION VII – AWS PROGRAM ADMINISTRATION**

AWS program coordination and information are available to employees and supervisors through the personnel servicing teams in OHROS. The teams can supply copies of all pertinent forms and policies. In addition, the teams track the activities of the AWS Program Oversight Committee and maintain copies of records of any decisions.

## **SECTION VIII – DISPUTE RESOLUTION PROCESS**

The AWS Program Oversight Committee, a standing subcommittee of the Headquarters Labor/Management Partnership Council, is responsible for clarifying the intent and application of the Agreement. The Committee can help supervisors and employees expedite the application, understanding and proper utilization of the program. Employees may elect to use the grievance procedures set forth in the union bargaining agreements or in the EPA order, as appropriate.

## **SECTION IX – RESCISSION**

This Agreement rescinds earlier guidance and agreements.

## **SECTION X – EFFECTIVE DATE (effective upon signature)**

# UNIFORM CRITERIA AND PROCEDURES FOR REQUESTING AND ASSIGNING ALTERNATIVE WORK SPACE

## SECTION I – PURPOSE

This Alternative Work Space Program Partnership Agreement establishes uniform criteria and procedures for employees applying for, receiving or continuing an assignment to work in Alternative Work Space (AWS) for health associated reasons. This Partnership Agreement also establishes criteria and procedures for supervisors reviewing and deciding on AWS assignments for employees and provides for establishing Work Agreements with those employees. AWS is a stand-alone, internal, Headquarters policy that is defined by this Partnership Agreement. AWS provides an employee an opportunity to be considered for work at a location other than the officially assigned work station solely because of claims of adverse health effects caused or aggravated by some physical condition associated with the work station. Nothing in this program reduces or expands an employee's rights under Worker's Compensation or claims for reasonable accommodation brought pursuant to the Federal Rehabilitation Act of 1973, as amended, or any other employee right or entitlement. In addition, AWS is distinct from medical flexiplace (available to employees under the Agency's Flexiplace policy).

## SECTION II – APPLICABILITY

The AWS program applies only to EPA employees employed at EPA's Headquarters Offices located in the Washington, D.C. metropolitan area.

## SECTION III – DEFINITIONS

(a) Alternative Work Space (AWS) is an assigned work location other than the officially assigned work station. This work location is assigned to an employee solely because of claims of adverse health effects caused or aggravated by some condition associated with the employee's officially assigned work site.

(b) Alternative Work Space Program Oversight Committee is a standing subcommittee of the Headquarters Labor/Management Partnership Council. The Committee has four members: one representative from the Office of Human Resources and Organizational Services (OHROS, an office within the Office of Administration and Resources Management, or OARM) one representative from the Association of Federal Government Employees (AFGE) Local 3331; one representative from the National Treasury Employees Union (NTEU) Chapter 280; and one representative from an AA-ship who is serving on the Headquarters Labor/Management Partnership Council.

(c) Alternative Work Space Program is the EPA Headquarters program that considers an employee's request to work at a location other than the officially assigned work station solely because of claims of adverse health effects caused or aggravated by some condition associated with the officially assigned work site.

(d) Alternative Work Space Program Coordination will be handled in OHROS. AA-ships will be able to receive information regarding the AWS Program from their individual personnel servicing teams within OHROS.

(e) EPA Health Unit Physician is a licensed doctor of medicine provided at the Headquarters health unit through an Interagency Agreement with the U.S. Public Health Service/Division of Federal Occupational Health. The health unit physician is available to all EPA employees as part of EPA's wellness service, including medical consultation related to requests for Alternative Work Space.

(f) Facilities and Management Services Division (FMSD) is a division within the Office of Administration and Resources Management with responsibility for building-related services.

(g) Office of Human Resources and Organizational Services (OHROS) is an office within the Office of Administration and Resources Management with responsibility for, among other things, providing information and materials to employees regarding the AWS program and process.

(h) Physician means a licensed doctor of medicine or doctor of osteopathy.

(i) Practitioner means a person providing health services who is not a physician, but who is certified by a national organization and licensed by a State to provide the service in question.

(j) Safety, Health and Environmental Management Division (SHEMD) is a division within the Office of Administration and Resources Management with responsibility for providing professional direction and guidance on occupational safety and health issues internal to EPA.

(k) Statement of recommendations refers to the treating physician or practitioner's statement of recommendations and/or restrictions as set out in Part 3 of the Alternative Work Space Form (at Appendix A).

(l) Supervisor means the individual with official and designated supervisory status who provides the employee's first level of supervision.

(m) Work site means the EPA or GSA facility at which the employee's work station is located.

(n) Work station means the employee's officially assigned desk, cubicle, or office.

## **SECTION IV – REQUESTS FOR IMMEDIATE RE-LOCATION**

This section applies when an employee reports experiencing adverse health effects that he/she believes are associated with the officially assigned work site and requests immediate relocation from the officially assigned work station. As soon as possible after being contacted by the employee, the supervisor should contact FMDS to ascertain whether any short-term physical changes within the building may be causing the problem, such as painting, construction, re-carpeting or other activities. This information may be helpful to both the supervisor and the employee in determining next steps. If no apparent physical changes within the building appear to be occurring, then the supervisor should also contact SHEMD to request an evaluation of the employee's work station. SHEMD's evaluation may help determine whether any timely changes can be made to assist the employee.

In the meantime, in response to a request for immediate relief, the supervisor should consider doing one of the following:

1. relocate the employee to a different work station in the same or another EPA or GSA building;
2. assign the employee to a flexiplace location in accordance with the Agency's flexiplace policy;[this is to be limited to availability only as an option while the employee is providing required information and the work space assessed].
3. working with FMDS, relocate the employee to the "clean space" in Crystal Station; or
4. approve administrative, sick or annual leave for the employee.

While SHEMD and FMDS look into the situation, the employee may request to be assigned to AWS by completing the AWS Form.

## **SECTION V – APPLYING FOR AWS**

This section applies both to new requests for AWS status and also to requests to continue in AWS as approved or permitted prior to the date of this partnership agreement.

### **Eligibility**

To be eligible for AWS, an employee must be able to successfully perform the critical elements of his or her assigned duties outside of the officially assigned work station, taking into account whether there are duties not currently assigned to the employee that the employee can perform from a location other than the officially assigned work station.

### Basis for Decision

AWS arrangements are considered on an individual basis. The decision to approve or continue an employee's participation in AWS is the responsibility of and at the discretion of the supervisor, who must act in accordance with criteria and procedures set out in this Partnership Agreement.

### Step 1: Applying for AWS

#### Requests for New AWS Status

An employee who believes that he or she is experiencing adverse health effects caused by the work site initiates the AWS process by submitting a completed Alternative Work Space Form (at Appendix A).

#### Requests to Continue Current AWS Status

Any employee who currently believes that he or she is participating in an authorized AWS arrangement is required to notify his or her immediate supervisor of his or her status within 30 days from the effective date of this agreement. The employee must submit a completed Alternative Work Space Form, including the statement of recommendations, no less than six months from the effective date of this agreement. Should the employee elect not to submit the aforementioned materials within the stipulated timeframe, it will be automatically assumed that AWS status is no longer in effect. Contingent upon the supervisor receiving the documents in a timely manner, the employee will remain in the prior AWS arrangement until the supervisor has finalized his or her decision. If the employee chooses to appeal the supervisor's decision as provided in this Agreement, the supervisor may not require the employee to leave the current work station until the appeal or grievance process is completed.

#### Renewing/Updating the AWS Form

The employee must submit an updated Alternative Work Space Form every two years, or at the occurrence of one of the following events, whichever is sooner:

1. The employee's treating physician or practitioner recommends reevaluation of AWS;
2. Where the employee is located in an EPA facility, and there is a proposed change in the physical location of the employee, or an alteration of the work station, that is relevant to the Statement of Recommendations; or
3. The employee notifies the supervisor of a change in his or her medical condition or status.

**Step 2: Deciding the AWS request**

Once the employee submits a completed Alternative Work Space Form, the supervisor shall decide within 30 calendar days whether to approve AWS. This decision must be reflected in writing on the AWS Space Form. The supervisor must upon receipt acknowledge in writing (by signing or initialing the AWS Form) the employee's written application for AWS. The supervisor shall then meet with the employee to discuss the application and to determine any immediate needs.

In making this decision, the supervisor shall take into consideration the following criteria:

1. Whether the critical elements of the employee's performance plan can be performed at a location other than the officially assigned work station. The supervisor and employee may need to work together to consider the possibility of restructuring the employee's duties and/or assignments; and
2. The information contained in the Statement of Recommendations completed by the treating physician or practitioner.

If the supervisor initially cannot make a determination based on the information received, then the supervisor may:

1. In writing, request written clarification from the employee;
2. With the employee's permission and/or involvement, request in writing clarification from the treating physician or practitioner. This clarification must also be in writing;
3. Seek the advice of the AWS Program Oversight Committee with employee involvement; or
4. Subject to the employee's providing written authorization, consult with the EPA Health Unit physician to assist in providing a written interpretation of the Statement of Recommendations.

The responsibility and authority to decide on the AWS request rests with the supervisor, not with the treating physician or practitioner, the EPA Health Unit physician or the AWS Program Oversight Committee. The supervisor should consider the physician's statement of recommendations in deciding on the AWS request.

The responsibility to initiate the request and provide sufficient information and documentation as described in this program rests solely with the employee.

**Step 3: Assigning a Work Site for the AWS Employee**

When the employee is assigned to AWS, the supervisor must determine where the employee will be assigned to work. Available options include a different work station in the same building, a work station in another EPA or GSA building, an AWS space provided by the Agency, or a location other than an EPA building.

Facilities and Management Services Division (FMSD) of the Office of Administration and Resources Management can provide information on the availability of alternative work space within the Headquarters buildings, can provide transition space, can alter existing space to address specific needs, where feasible, or can provide specified facilities services that may be requested for employees assigned to AWS. To the extent practicable, FMSD can also take steps to improve the officially assigned work station in response to specific recommendations.

The Safety, Health and Environmental Management Division (SHEMD) of the Office of Administration and Resources Management can perform a safety and health assessment of the space (including industrial hygiene and ergonomic applications), provide information on the safety and health of the officially assigned work station and provide consultative support to supervisors and employees when requested.

**SECTION VI – AWS WORK AGREEMENT**

Both the employee and the supervisor are responsible for working together to develop work products and for maintaining effective and open communication.

The supervisor and employee must finalize a Work Agreement (at Appendix B) to ensure that both the employee and the supervisor understand the AWS arrangement. Work assignments vary in the degree to which they are specific to a particular work station. Therefore, in developing a Work Agreement, the employee and the supervisor must work together to identify the work assignments the employee is qualified and able to perform at a location other than the officially assigned work station.

In developing the Work Agreement, the supervisor and the employee must consider the Statement of Recommendations, specifically the job restrictions or special considerations that are recommended, in order to identify possible AWS arrangements.

The Work Agreement must also identify the equipment the Agency and/or the employee will provide to enable the employee to perform his or her work assignments. In addition to the Work Agreement, employees in AWS must complete the self-certification time and attendance report at Appendix C.

## SECTION VII – AWS PROGRAM ADMINISTRATION

AWS program coordination and information are available to employees and supervisors through the personnel servicing teams in OHROS. The teams can supply copies of all pertinent forms and policies. In addition, the teams track the activities of the AWS Program Oversight Committee and maintain copies of records of any decisions.

Each supervisor of an employee assigned to AWS must provide to the relevant personnel servicing team a copy of the employee's completed AWS Form and any additional or supporting information (excluding medical information protected by the Privacy Act) developed as part of the application and decision processes. The supervisor will update this information as necessary.

All records, *excluding Privacy Act protected medical information*, pertaining to employees in AWS shall be centrally maintained in OHROS.

## SECTION VIII – DISPUTE RESOLUTION PROCESS

The AWS Program Oversight Committee, a standing subcommittee of the Headquarters Labor/Management Partnership Council, is responsible for clarifying the intent and application of the AWS Partnership agreement. The AWS Program Oversight Committee is available to supervisors and employees to help expedite the application, understanding and proper utilization of the program. For example, the committee may recommend an opportunity for an employee and supervisor to meet in person to discuss an AWS request. In this way the committee may be able to function as a third party facilitator and or as a mediator in attempting to work out an acceptable resolution.

### Employees' Rights

Employees within the representational scope of either AFGE Local 3331 or NTEU Chapter 280 may elect to use the agreed-upon grievance procedure as set forth in the pertinent agreement.

Employees who do not fall within the scope of either bargaining unit's representation may elect to utilize the Agency's Grievance System, EPA Order 3110.8A, which sets forth the grievance procedure available for such employees. This action can be initiated by contacting OHROS.


## SECTION IX – RESCISSION


This Alternative Work Space Program Partnership Agreement rescinds the July 10, 1989 "Guidance Regarding Employee Requests for Alternate Work Space or Work Assignments" and supersedes Article XV of the NFFE Local 2050 Collective Bargaining Agreement, recognized and adopted by NTEU Chapter 280.


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**Headquarters Labor-Management Partnership Council  
Alternative Workspace Policy**

We, the undersigned, do hereby agree to the policy as outlined above. This agreement is made on the 30<sup>th</sup> day of November, 1998.

  
John C. Chamberlin, Chair  
HQ Labor Management Partnership Council  
for EPA Management

 12/13/98  
Carolyn Lowe, President  
American Federation of Government  
Employees, Local 3331  
for AFGE Headquarters Bargaining Unit

  
James J. Murphy, President  
National Treasury Employees Union,  
Local 280  
for NTEU Headquarters Bargaining Unit

## Appendix A

### ALTERNATIVE WORK SPACE FORM

The Alternative Work Space Program is available to any Headquarters employee who requests to work at a location other than the officially assigned work station solely because of claims of adverse health effects caused or aggravated by some condition associated with the officially assigned work site.

The employee must initiate the request to participate in the Alternative Work Space Program by submitting this completed Form to his/her immediate supervisor. The employee completes Parts 1 and 2. The employee's treating physician or practitioner completes Part 3.

#### **PART 1 - Request for participation in the Alternative Work Space Program** (To be completed by the employee)

I have been experiencing health problems that I believe may be associated with my officially assigned work site and therefore request to participate in the Alternative Work Space Program.

By signing this form, I acknowledge that this information may be released to my supervisor and the Agency.

Name \_\_\_\_\_ Date \_\_\_\_\_  
 Signature \_\_\_\_\_ Organizational Unit \_\_\_\_\_  
 Phone \_\_\_\_\_  
 Supervisor's Name \_\_\_\_\_ Supervisor's Phone \_\_\_\_\_

#### **PART 2 - Description of Health Symptoms** (To be completed by the employee)

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Cough              | <input type="checkbox"/> Difficulty Breathing          | <input type="checkbox"/> Eye Irritation |
| <input type="checkbox"/> Eyes watering      | <input type="checkbox"/> Dermatitis                    | <input type="checkbox"/> Headache       |
| <input type="checkbox"/> Sinus irritation   | <input type="checkbox"/> Itching                       | <input type="checkbox"/> Nausea         |
| <input type="checkbox"/> Drowsiness         | <input type="checkbox"/> Fatigue                       | <input type="checkbox"/> Bronchitis     |
| <input type="checkbox"/> Asthma             | <input type="checkbox"/> Dizzy/Lightheadedness         | <input type="checkbox"/> Rapid pulse    |
| <input type="checkbox"/> Heart palpitations | <input type="checkbox"/> Clammy, faint feeling         | <input type="checkbox"/> Hives          |
| <input type="checkbox"/> Sneezing           | <input type="checkbox"/> Gastrointestinal difficulties |   |
| <input type="checkbox"/> Other _____        |  |   |
-

**PART 3 - Treating Physician or Practitioner's Statement of Recommendations**  
 (To be completed by treating physician or practitioner)

The above-named employee of the United States Environmental Protection Agency has requested to participate in the EPA Headquarters Alternative Work Space Program. The employee reports experiencing adverse health effects caused or aggravated by some condition associated with the officially assigned work site. The employee has filled out the above list of symptoms to assist you in your evaluation.

1. Please provide your recommendation(s) concerning this individual's short-term and/or long-term needs for his/her work environment. Provide, for example, specific information as to contacts or activities that should be reduced or avoided in the work site. If possible, recommend support services or equipment that may be necessary for the employee's work environment.

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2. Please provide the date when you recommend that this individual's short-term and/or long-term needs for his/her work environment be re-evaluated:

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Treating Physician or Practitioner's Name \_\_\_\_\_

Signature \_\_\_\_\_

License Number \_\_\_\_\_

Certificate Number \_\_\_\_\_

Certifying Organization \_\_\_\_\_

Address \_\_\_\_\_

Business Phone \_\_\_\_\_

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**PART 4 - Acknowledgment**  
(To be completed by supervisor)

I have received this completed Form requesting Alternative Work Space for the employee named above.

\_\_\_\_\_  
Supervisor's Signature

\_\_\_\_\_  
Date

**Part 5 – Supervisor's Decision**  
(To be completed by supervisor)

\_\_\_\_\_  
Approved

\_\_\_\_\_  
Date

\_\_\_\_\_  
Disapproved

\_\_\_\_\_  
Date

Reason for disapproval: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

## Appendix B

**ALTERNATIVE WORK SPACE PROGRAM  
EMPLOYEE/SUPERVISOR WORK AGREEMENT**

The following constitutes a voluntary agreement on the terms and conditions of participation in the alternative work space (AWS) program between the \_\_\_\_\_ and \_\_\_\_\_. Nothing in this program reduces or expands an employee's rights under Worker's Compensation or claims for reasonable accommodation brought pursuant to the Federal Rehabilitation Act of 1973, as amended, or any other employee right or entitlement. The program office involved will continue to be responsible for any and all costs associated with this work agreement.

1. **Duty Station.** All pay, special salary rates, leave and travel entitlements will be based on the employee's official duty station.

Official duty station is: \_\_\_\_\_  
 Alternative Work Space site (the location in which the employee is assigned to work)  
 Address: \_\_\_\_\_  
 Telephone Number: \_\_\_\_\_

2. The employee's timekeeper will have a copy of the employee's AWS schedule. The employee's time and attendance will be recorded in accordance with established time and attendance requirements. Each employee in AWS must complete the "Employee Self-Certification Time and Attendance Report" and submit it to his/her supervisor before time cards are due each pay period. The employee's supervisor will certify, for each pay period, time and attendance for hours worked.
3. The employee must obtain supervisory approval before taking leave in accordance with established Agency procedures. By signing this agreement, the employee agrees to follow established procedures for requesting and obtaining approval of leave.
4. The supervisor reserves the right to alter the employee's established work schedule to accommodate peak workload office demands or for any other official purpose with advance notification.
5. The AWS work site shall be equipped with the following: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
6. An employee who is authorized to use Agency equipment will protect the Agency equipment. Agency-owned equipment will be serviced and maintained by the Agency. An employee who provides his/her own equipment is responsible for installing, servicing, and maintaining it.

7. Provided the employee is given at least 24 hours advance written notice, the employee agrees to permit periodic home inspections by the Agency of the AWS work site during the employee's normal work hours to ensure proper maintenance of Agency-owned equipment and work site conformance with health and safety standards.
8. The employee is covered under the Federal Employee's Compensation Act if injured in the course of performing official duties at the official duty station or AWS work site.

Any accident or injury occurring at the AWS work site must be brought to the immediate attention of the supervisor. Because an employment-related accident sustained by an employee participating in the AWS program could occur off the premises of the official duty station, the supervisor must investigate all reports immediately following notification.

The employee must complete the "Safety Checklist and Employee Certification" (at Appendix D) which identifies significant safety standards that must be met and submit it to his/her supervisor prior to participating in the AWS program.

9. The Agency is not responsible for damages or loss to an employee's personal or real property during performance of official duties or while using Agency equipment in the employee's AWS work site, except to the extent the Agency is liable under the Federal Tort Claims Act, the Military Personnel and Civilian Employees Claims Act, or local law as appropriate.
10. The Agency is not responsible for operating costs, home maintenance or any other incidental costs (e.g., utilities) whatsoever associated with the use of the employee's residence. The Agency may provide all necessary office supplies and reimburse the employee for all authorized expenses incurred while conducting Agency business if approved in advance by the supervisor.
11. The supervisor will evaluate the employee's job performance against performance standards and measures established in the employee's performance agreement. The agreement will be amended to reflect the employee's AWS participation if appropriate.
12. The employee is authorized to use and retain official Agency records or duplicate records at the AWS work site. The employee agrees to use approved safeguards to protect Agency records from loss, damage, destruction, and unauthorized disclosure. If the employee is authorized to have access at the AWS work site to bid or proposal information, source selection information, confidential business information, information protected under the Privacy Act, or other information subject to special security procedures, the employee shall safeguard such information from unauthorized disclosure in accordance with all security procedures applicable to the information. The employee is responsible for knowing what security procedures and specific authorizations apply to the information. Classified national security information may not be brought to or retrieved at the AWS work site.

13. The employee agrees to perform his/her officially assigned duties at either the official duty station or at the AWS work site. Failure to comply with this provision may result in charge of leave, loss of pay, termination of participation in the program, and/or disciplinary action, as warranted, based on the situation.
14. The employee agrees not to conduct unauthorized personal business while in official duty status. The employee agrees to arrange for any dependent care and personal responsibilities in a manner that allows the employee to successfully meet job responsibilities. AWS is not a substitute for dependent care.
15. This Agreement does not restrict the employee's right to change schedules in accordance with existing policies. If a permanent change of schedule is approved, the time and attendance schedule will be changed accordingly and initialed by both the employee and supervisor.
16. The employee agrees to provide his/her home phone number to Agency clients if the employee's home is the employee's AWS work site. In addition, the employee authorizes the Agency to release the employee's home phone number to Agency clients if the employee's home is the employee's AWS work site.
17. The employee and the supervisor agree to discuss the employee's performance in the AWS program during the mid-year and annual performance appraisals.
18. Other: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

I have read this agreement and the Agency policy on Alternative Work Space and agree to adhere to their terms.

\_\_\_\_\_  
 Employee's Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_ [Name of office or division] concurs with the participation of this employee in the AWS program beginning \_\_\_\_\_, and agrees to adhere to the terms of this agreement and the Agency policy in Alternative Work Space.

\_\_\_\_\_  
 Supervisor's Signature

\_\_\_\_\_  
 Date

## **Appendix E**

### **ALTERNATIVE WORK SPACE PROGRAM OVERSIGHT COMMITTEE DRAFT CHARTER**

1. **PURPOSE.** The Alternative Work Space (AWS) Program Oversight Committee, a standing subcommittee of the Headquarters Labor/Management Partnership Council, will be available to interpret, clarify, facilitate, mediate and assist with actions and activities related to the implementation, processing and actions associated with this program. The committee is also responsible for routine evaluation of the program's effectiveness and recommending modifications or actions as the Committee may deem appropriate for the effectiveness and efficiency of the Partnership Agreement.

#### **2. MEMBERSHIP**

- a. The AWS Program Oversight Committee is composed of four members:
  - The Committee Chair, who is the representative from OHROS;
  - One representative from AFGE Local 3331;
  - One representative from NTEU Chapter 280;
  - One representative from an AA-ship who is serving on the Headquarters Labor/Management Partnership Council.
- b. At the Committee's option, representatives from FMSSD, SHEMD, or their union counterparts may be consulted.
- c. Representatives serve for a period of one year; their membership can be renewed.
- d. To ensure effectiveness and continuity of the Committee, members are expected to attend and participate in each meeting. However, in exceptional cases, a member may designate an alternate to participate in a meeting in the event that he or she is unable to attend. It will be the responsibility of the member to ensure that the alternate is briefed on the topics that may arise in the meeting. The alternates will participate in Committee meetings as full members.

#### **3. PROCEDURES**

- a. The AWS Program Oversight Committee will be chaired by the

representative from OHROS; it may be chaired by a designee in the OHROS representative's absence.

- b. The Committee Chair will appoint a permanent Secretary for the AWS Program Oversight Committee. The Secretary will be responsible for notifying members of meetings; ensuring a quorum is able to participate; developing an agenda to be distributed prior to the meeting; preparing a record of the meeting; distributing the record of the meeting to members and OHROS personnel servicing teams; and otherwise facilitating the efficient conduct of the meetings. The Secretary is not a voting member of the Committee.
- c. The AWS Program Oversight Committee will meet at least monthly or more frequently at the discretion of the Chair. A meeting will be postponed if a quorum of three members is not available or if there are insufficient items on the proposed agenda.
- d. The Committee will provide an opportunity for the employee and the supervisor to appear in person to discuss the issues. The employee may choose to be accompanied by a union representative other than the union committee member, or another representative. Similarly, the supervisor may choose to be accompanied by a representative from OHROS or another office.