



NNSA Policy Letter: BOP-006.001

Date: August 12, 2004

**TITLE: NNSA Program Management Policy**

- I. OBJECTIVE: To provide guidelines for the conduct of program management activities within NNSA. This policy is intended to provide increased organizational discipline, clearly defined management responsibilities and authorities, consistency across both Headquarters and Site Offices to increase management efficiency and effectiveness, eliminate management redundancies, and provide for a clear channel of tasking and direction from NNSA programs to contractors.
- II. APPLICABILITY: This program management policy is applicable to all organizations in the NNSA except Naval Reactors (NA-30). Its requirements apply exclusively to Federal personnel only.
- III. PHILOSOPHY: NNSA views programs as falling across a spectrum ranging from operational or level of effort programs, such as surveillance of the nuclear weapons stockpile, at one end to major capital acquisition projects at the other end. The diversity of programs within the NNSA demands the "tailored" application of the program management principles to accommodate the requirements of each program. Earned Value reporting and a rigorous change control system appropriate for capital acquisitions would be meaningless and/or overly bureaucratic for level of effort programs. Between these ends of the program management spectrum is a category of "projectized" activities where an intermediate level of program management tools are applied. Deputy/Associate Administrators will determine where a program falls on the program management spectrum and the level of rigor to which the principles of DOE Manual 413.3-1 is applied. However, certain minimum standards will be applied to all activities, and managers will be required to training and proficiency commensurate with their responsibilities.
- IV. DEFINITIONS AND GENERAL ROLES: This policy pertains primarily to Federal program management activities and secondarily to project management. DOE Policy concerning project management for the acquisition of capital assets is covered by DOE Order 413.3.

A. The distinction between program and projects is defined as follows:

**Program** - a group of ongoing activities and related projects conducted with a defined set of resources (financial, human, etc.), managed in a coordinated way to achieve mission objectives and obtain benefits not available from managing them individually.

**Project** - a group of related activities that has a defined starting and end point, undertaken to create a unique product or service in support of a program.

B. The general role of Federal program management is to: develop overall strategy to meet mission requirements; establish programmatic requirements and performance expectations; allocate resources based on organizational priorities; manage the contract (where the work is accomplished by that mechanism); monitor and assess performance; and resolve issues and remove barriers that impact program success. Additionally, Federal Managers represent their organizations to program customers and stakeholders.

C. NNSA Site Offices perform six essential roles in supporting program management and execution at NNSA Government owned, contractor operated (GOCO) facilities:

- For NNSA Sites, Site Office Managers are Contracting Officers for their respective site contracts and report to the NNSA Administrator. They have the authority to appoint Contracting Officer Representatives (CORs).
- They ensure GOCO facilities are available to safely and securely conduct work supporting the programmatic mission.
- They act as the Federal representative to accept weapons components and systems. This acceptance is typically provided to the appropriate program manager.
- They prepare the annual contractor Performance Evaluation Plan with input from and coordination with Program Managers/Contracting Officer Representatives.
- They prepare the annual contractor Performance Evaluation Report with input from Program Managers/Contracting Officer Representatives.

- They support Program Managers as on-site program representatives providing assistance with specific program management functions as requested by Program Managers.

V. REQUIREMENTS:

- A. Federal program management responsibilities will be distributed across a defined management hierarchy beginning with the Program Manager. For certain projects, such as those involving the acquisition of capital assets, a separate Project Director may be defined.
- B. Managers with responsibilities will receive the authorities they need to carry out these responsibilities.
- C. Program direction to contractors will be through designated Contracting Officer Representatives.
- D. Program management responsibilities and authorities for each level of the hierarchy will be defined in writing both in terms of general responsibilities described above and specific responsibilities with respect to the program management processes in which they engage.
- E. The Planning, Programming, Budgeting, Evaluation (PPBE) process is the core NNSA business process for managing NNSA activities. NNSA subordinate organizations may supplement this process with their own processes and procedures to ensure accomplishment of federal program management roles. If created, these processes and procedures will be consistent with PPBE, associated NNSA processes, and DOE orders, and documented in writing. This NNSA Business Operating Procedure (BOP) constitutes the authority for issuing these processes and procedures.
- F. Where a Site Office is providing assistance with the accomplishment of specific program management functions, the supported NNSA Headquarters organization will document this agreement with the Site Office.
- G. Program Managers will be required to meet organizationally defined qualification standards for their positions. These, as a minimum, will include a practical understanding of key NNSA and organizational business and management practices and processes. Specifically, all designated program managers must demonstrate an understanding of DOE Order 413.3, DOE Manual 413.3-1, PPBE, PART Assessments, and Risk Management principles. Other program-specific knowledge will be defined by the appropriate DA/AA. All program managers

must demonstrate understanding and/or proficiency of program management principles within a reasonable period after being designated as a program manager, and where appropriate on a recurring basis. Deputy/Associate Administrator Implementation Plans developed for this policy will further delineate requirements for each program.

- H. Program planning will be multiyear and integrated as necessary between programs and sites/contractors and captured in appropriate management documents. The degree of detail and types of documents used will depend on the nature of the program/activities.
- I. Programs will report at least quarterly to the Deputy/Associate Administrator with respect to cost, scope, and schedule as well as trends and emerging issues that could impact major program objectives/milestones. Programs will report at least annually to the Administrator.
- J. Documented change control will, as a minimum, be applied to year of execution of activities and encompass scope, schedule, and cost. Out-year activities should also be subject to some form of configuration management that could be less rigorous in terms of thresholds, level of decision authority, and documentation depending on the nature of the activity.

VI. TRAINING AND DOCUMENTATION: NA-60 is responsible for developing and maintaining a database of NNSA program managers. This database will identify the manager for each program, the training and certification requirements for each program manager position, the dates the program manager initially completed various training/certifications, and when, if applicable, the training/certification must be renewed. NNSA Deputy and Associate Administrators will identify program-specific training/qualification requirements for their respective programs, as well as the timeframe that newly designated program managers have to demonstrate full proficiency. NA-50 will be responsible for developing standardized training materials that will demonstrate a designated program manager's understanding/proficiency of the core processes and management practices identified in Section V-G above. This core knowledge may be supplemented/modified by the DA/AA with program-specific requirements. Development of the additional/supplemental program-specific training materials/certifications is the responsibility of the appropriate DA/AA. To the extent possible, NNSA program manager training will be computer-based. NA-60 will provide the IT resources to host this training.

VII. RESPONSIBILITIES: NNSA Deputy and Associate Administrators are responsible for implementing this policy within their organizations.

VIII. Point of Contact for Business and Operating Policy Letter: NNSA Chief Operating Officer, 202-586-7515.

A handwritten signature in cursive script, appearing to read "Linton F Brooks".

Linton Brooks  
Administrator