



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, DC 20240

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Department of the Interior Guidance (DIG) Release 2014-03

Subject: Policy for Contractor Access to the Financial and Business Management System

References: FAR 7.5—Inherently Governmental Functions

1. **Purpose:** This policy establishes guidance for access by non-Federal staff to the Department of the Interior's (DOI) Financial and Business Management System (FBMS). Bureaus shall use the policies and procedures in this document when determining whether to assign FBMS roles to non-Federal staff.
2. **Effective Date:** Effective 60 calendar days from signature.
3. **Background and Explanation:** The Federal Acquisition Regulation (FAR) prohibits the performance of certain inherently governmental functions by non-Federal staff. The FAR, at Section 2.101, defines inherently governmental functions in part as:
 - (1) An inherently governmental function involves, among other things, the interpretation and execution of the laws of the United States so as to—
 - (i) Bind the United States to take or not to take some action by contract, policy, regulation, authorization, order, or otherwise;
 - (ii) Determine, protect, and advance United States economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;
 - (iii) Significantly affect the life, liberty, or property of private persons;
 - (iv) Commission, appoint, direct, or control officers or employees of the United States; or
 - (v) Exert ultimate control over the acquisition, use, or disposition of the property, real or personal, tangible or intangible, of the United States, including the collection, control, or disbursement of Federal funds.

The DOI uses FBMS to record a wide variety of transactions in areas including acquisition, financial assistance, property, budget, and finance. Some of these transactions may include inherently governmental functions.

Access to FBMS is granted by user roles, which include various different functions. Each role has been designed to record specific functions in the system, and is managed to prevent conflicts of interest. However, some roles contain the ability to record functions that are inherently governmental, such as obligating funds for contract actions. In order to ensure inherently governmental functions are not performed by non-Federal staff, this policy will outline a process for restricting FBMS access to some user roles in the system.

4. **Action Required:** User roles in FBMS shall be separated into the following three categories, which are outlined in more detail in the sections below: (1) roles that can be held only by Federal employees; (2) roles where there is a preference for Federal employees, but bureaus may seek a

waiver to that preference; and (3) roles that may be held by either Federal employees or non-Federal staff. The subsequent sections of this policy list the specific FBMS roles that fall into Categories 1 and 2. All other roles fall into Category 3 and may be held by either a Federal employee or non-Federal staff.

Definition of Federal Employee

For the purposes of this policy, a Federal employee is defined as an individual who has an active, processed standard form (SF)-50. This definition generally includes Federal employees of other agencies who are performing work for DOI, term employees, temporary employees, and interns, provided these individuals have an active SF-50. The definition generally does not include contractors, grantees, retirees, or volunteers. There may be possible individual exceptions to these broad categories, but the deciding factor would be whether the individual has an active SF-50.

Category 1: Roles That Can Only Be Held by Federal Employees

The DOI has determined certain roles shall not be held by non-Federal staff because of the nature of the transactions recorded in FBMS. The following FBMS roles may only be held by Federal employees:

Role	Role description
ACQ_CFA	Acquisition Certifying Funds Approver
ACQ_CO	Acquisition Contracting Officer
ACQ_SUP	Acquisition Supervisor
AP_CA	AP Contract Awards
AP_CO	AP Certifying Officer (including Law and POD)
FA_AGO	Financial Assistance Agreements Officer
FA_OBL	Financial Assistance Obligations
PCS_RO	PCS Reviewing Official
PRA_ACT	PRA Asset Accountant
PRA_CPO	Property Custodial Property Officer
PRF_AOO	PRF Autochoice Ordering Official
PRF_FNM	PRF Fleet Financial Manager
PRR_LCA	PRR Leasing Contract Activation
TR_RO	TR Reviewing Official

Category 2: Preference for Federal Employees

For this category, there is a strong preference the FBMS role be held by a Federal employee. However, bureaus may seek a waiver to allow non-Federal staff to hold the role under certain specific circumstances described below. The following FBMS roles fall into this category:

Role	Role Description
ACQ_AO	Acquisition Approving Official
ACQ_AO_FL	Acquisition Fleet Approver
ACQ_AO_IT	Acquisition IT Approver
ACQ_AO_PR	Acquisition Property Approver
ACQ_AO_RA	Acquisition Radio Approver
ACQ_AO_RP	Acquisition Real Property Approver
ACQ_COR	Acquisition Receiving Official
AP_MO	AP Miscellaneous Obligations (including IAA and Seed)
AP_RA	AP Research Analyst
PRA_MGF	Property Asset Field Property Manager
PRA_MGR	Property Asset Bureau Property Manager
PRR_BPM	Real Property Bureau Real Property Manager
PRR_FRP	Real Property Financial Real Property Manager
PRR_LCM	Real Property Leasing Contract Maintenance
PRR_LMS	Real Property Land Management Specialist

Justifications for Waivers

The preference for Federal employees to hold the FBMS roles in Category 2 will only be waived in certain limited circumstances. Bureaus must demonstrate either:

1. Non-Federal staff with the role will not record any inherently governmental functions; or
2. Non-Federal staff with the role will record inherently government functions executed by a qualified Federal employee outside of FBMS.

In the case of the first circumstance, bureau's justification must have documented internal controls that detail how the activity of non-Federal staff will be monitored to ensure no inherently governmental functions are performed. At a minimum, these internal controls shall include an annual review of sampled transactions.

In the case of the second circumstance, bureau's justification must have documented internal controls to ensure the inherently governmental function executed outside the system by the qualified Federal employee is documented in writing. Bureaus also must ensure the documentation is stored in a manner that ensures it can be easily accessed to provide evidence of the transaction, for example, by attaching the documentation in FBMS. Attaching the documentation in FBMS may not be possible for all transactions. In such cases, the bureau must establish an alternate method of storing the evidence of the transaction, and must describe that method in their waiver request. Bureaus must also have documented internal controls that detail how sampled transactions will be reviewed periodically, but at least annually, to ensure supporting documentation is being kept as required.

Waiver Process

Bureaus shall submit waiver requests to the Office of Acquisition and Property Management (PAM). PAM will be the central point of contact for receiving and tracking all waiver requests. However, the waivers will be reviewed and either approved or denied by the appropriate policy office responsible for oversight of the requested role.

For example, waivers for acquisition, property, and financial assistance roles will be reviewed by PAM; waivers for budget roles will be forwarded to the Office of Budget, and waivers for accounts payable will be forwarded to the Office of Financial Management. Bureaus will receive a response to waiver requests as soon as practicable, but generally no later than 30 days after the waivers are submitted.

Waiver requests must be submitted in writing and must be approved by the Bureau Procurement Chief (BPC), or equivalent bureau official for other subject-matter areas, prior to submission to PAM. Waiver requests must include the following information:

1. Scope of the Waiver

Waivers may be granted for single or multiple roles. The waiver request must list each role for which a waiver is requested. A justification must be provided for each role.

Waivers may be granted for the entire bureau or for specific programs, offices, regions, etc. The request should describe the scope of the waiver for each role.

2. Written Justification

Bureaus must indicate which of the two possible circumstances form the justification and the basis of their request for each role listed (see *Justification for Waivers*, page 3). Bureaus shall provide documentation of the internal controls described above for each justification. The documentation should be specific and detailed; failure to provide adequate detail will delay the waiver process, or may lead to a denial.

To assist bureaus in preparing waiver requests, below are examples of the type of documentation expected. The following are merely examples; bureaus may elect to take alternate approaches to documenting internal controls.

ACQ_COR. The bureau has developed a business process to document receipt of goods or services by a Federal employee outside of FBMS. The bureau requests contractors be allowed to hold this role in order to record the Federal employee's acceptance in FBMS by creating the Goods Receipt or Service Entry Sheet. The bureau should provide a copy of the documented business process, detailed information about how and where the evidence of the Federal employee's acceptance will be stored so the evidence can be easily reviewed by auditors, and a detailed process by which the bureau will review a sample of transactions at least annually to ensure the process is being followed.

PRA_MGR. Since this role can perform a wide variety of functions, a bureau may request that contractors be able to hold this role, provided these individuals will not use the role to perform any inherently governmental functions. The bureau should provide details as to which transactions will be performed by contractors and which will not. Bureaus should also provide a documented, detailed process for reviewing a sample of transactions at least annually to ensure the role is only being used for the functions described.

Duration of the Waiver

Waivers will be effective from the date the approvals are issued through the end of the first quarter of the subsequent fiscal year. For example, an approved waiver issued on October 1, 2013, will expire on December 31, 2014. A waiver approved on September 30, 2014, will also expire on December 31, 2014. A waiver issued on October 1, 2014, will expire on December 31, 2015.

Bureaus may submit a request to renew the waivers. Requests for renewal shall be approved by the BPC or equivalent official and submitted in writing to PAM at least 30 days prior to the expiration of the waiver. Renewal requests shall include a certification the justification for the original waiver remains accurate, and shall include the findings from the latest internal control review conducted to monitor the appropriate use of the role performed by the non-Federal staff.

If the justification has changed since the initial request, or if there is any other substantial change in circumstances, bureaus shall request a new waiver rather than using the renewal process.

5. Additional Information: The Director of the Office of Budget and the Deputy Chief Financial Officer concur with this policy. Questions about this DIG may be directed to Megan Olsen, Senior Procurement Analyst, PAM, at (202) 513-0692 or by e-mail at megan_olsen@ios.doi.gov.



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