

**Example Only**  
**Refer to Current Year Memo**

May 1, 2008

SUBJECT: FY 2009 Annual Resource Management Planning Process

TO: Area Directors  
Director, NAL

FROM: Antoinette A. Betschart  
Associate Administrator

The 2009 Annual Resource Management Planning (ARMP) continues to serve as the foundation for management of ARS fiscal, human, and physical resources. With the budgetary constraints of this fiscal year and those anticipated in FY 2009, the Agency continues to be committed to conducting outstanding agricultural research with impact and to providing state-of-the-art library and information services. The ARMP process and subsequent Strategic Resource Management Planning (SRMP) process serve us well in meeting these challenges. We look forward to working with you to ensure that we implement a thorough and productive planning process again this year.

As you undertake the ARMP process and hold related discussions with your Center Directors, Laboratory Directors, and Research Leaders, emphasis should be placed on strengthening the Agency and optimizing research capacity and impact within available resources. The commitment from you and your staff to this effort allows ARS to continue to be the “Premier Food and Agriculture Agency” for the nation and for all who benefit from our research.

### **ARMP Guidance**

The attached detailed ARMP planning guidance is divided into two sections. Section A pertains specifically to the Area Directors and the Director of the National Agricultural Library (NAL). Section B provides other general ARMP guidance required by the Areas, NAL, and Locations. Changes and additions to the FY 2008 guidance are shown in **bold** print. You may receive additional guidance from Steve Helmrich, Director, Financial Management Division, concerning Agency-wide information technology costs (#17-18).

As in past years, the FY 2009 ARMP will be based on the budget for the previous fiscal year (FY 2008). The proposed funding increases or decreases identified in the FY 2009 President’s budget are not included in the FY 2009 ARMP process.

## **Strategic Resource Management Planning (SRMP)**

We will be holding the SRMP sessions based on your ARMP reviews in November/December 2008. The schedule will be developed in early fall. Additional information and guidance will follow at a later date.

To strengthen the SRMP process, information on indirect research costs, incoming soft funds, specific cooperative agreements/extramural agreements, and number of SYs/non-SYs that are retirement eligible will continue to be included in the Multi-Year Analysis summary for each Area. This additional information is very useful to more accurately assess the viability of MUs and to enhance SRMP discussions later this year.

Please direct any questions you have or need for supplemental guidance to Steve Helmrich, Director, Financial Management Division, on 301-504-1257.

Attachments: Sections A and B  
Enclosures (8)

cc:  
Operations Staff  
C. Shelton, AFM  
AFM Division Directors  
Deputy Area Directors  
Area Budget and Fiscal Officers  
J. Stetka, NPS

Changes to dates and citations from last year are shown in **bold** print. The detailed ARMP planning guidance has been divided into two sections. Section A provides actions that pertain specifically to the Area Directors (ADs) and the National Agricultural Library (NAL) Director. Section B provides other general ARMP guidance required by the Areas, NAL, and Locations in their ARMP development.

## **SECTION A. AD/NAL DIRECTOR GUIDANCE**

### ARMP Submission Instructions

- 1) The timetable for this year's process is shown in Enclosure 1. To provide guidance on funding levels on which to base your ARMPs, the following schedule has been established:

<b>June 9, 2008</b>	<b>Initial FY 2009 CRIS allocations will be issued during this week by Budget and Program Management Staff (BPMS).</b>
<b>July 18, 2008</b>	<b>Last day to request CRIS adjustments to the FY 2009 allocations in ARIS.</b>
<b>August 11, 2008</b>	<b>Final FY 2009 CRIS allocations will be issued by BPMS.</b>
<b>September 5, 2008</b>	<b>Submission date for the Area/NAL ARMP package.</b>
<b>October 6, 2008</b>	<b>Submission date for State of the Area, High Priority Requirements Listing, and Area Multi-Year Analysis.</b>
<b>November/December</b>	<b>Strategic Resource Management Planning Sessions.</b>

The detailed ARMP information should be completed in the automated ARMP system on or before **September 5, 2008**.

- 2) The following materials are due to Headquarters by **October 6, 2008**:

- State of the Area/NAL
- Area/NAL High Priority Requirements Listings (HPRLs)
- Area Multi-Year Analysis (see Item #26 and Enclosure 2)

- 3) Proposed abolishment of scientific (SY) positions: As FY 2009 ARMPs are developed and reviewed, please consolidate the Area's proposed SY abolishments and discuss them with the appropriate Deputy Administrators (DA), National Program Staff (NPS). The ADs and DAs must reach concurrence on the proposed abolishments prior to abolishing the positions and removing them from the FY 2009 ARMP. After verbal concurrence is reached,

Areas must submit the official request (along with the abolishment request form) to Jill Stetka, NPS. Once concurrence from NPS is received, this documentation needs to be submitted to the Human Resources Division (HRD) **in accordance with the June 23, 2006 memorandum from Dr. Rexroad, subject: “National Program Reviews of SY Recruitment Actions.” (Enclosure 3)**

- 4) Soft Funds: When budgeting staff on soft funds, the ARS policy is that you cannot hire new permanent staff on soft funds or plan to use soft funds to finance salaries of permanent personnel, i.e., only temporary full or part-time staff may be hired or supported on soft funds. However, the following exceptions can be applied on a case-by-case basis:
  - a) ADs may authorize the use of soft funding to hire or finance all or part of a Category 1 or 4 scientist or permanent support staff if ALL the following conditions are met:
    - i) The AD has first considered filling the position using Term (1 to 4 years) appointment authority.
    - ii) There is a longstanding arrangement or there is a high probability that soft funds will be received, e.g., a national initiative that is financed on a reimbursable basis or other unique, exceptional situations.
    - iii) The AD has obtained the concurrence from the Associate Administrator, Research Operations and Management. (Submit written justification via AFM-FMD.)
    - iv) The AD assumes the responsibility that in the event that the soft funds do not materialize, the employee hired on soft funds would be placed in a comparable permanently funded position within the Area.
    - v) Employees hired on soft funds must be informed of the possibility that the soft funds may not be available in the future and that the employee could be reassigned to another position at Government expense if relocation is necessary.
  - b) The Director, Office of International Research Programs (OIRP), and the Assistant Administrator, Office of Technology Transfer (OTT), may approve the use of soft funding to hire or finance all or part of the salary for designated OIRP or OTT positions if all the above conditions are met, including obtaining concurrence from the Associate Administrator, Research Operations and Management.
  - c) For non-scientific staffing, DAs, ADs, and the NAL Director may hire or fund permanent staff on soft funds when there is a legitimate new or existing shared services arrangement where ARS personnel provide services to another Federal agency such as administrative or facilities operations and maintenance support. There is a commitment toward these permanent employees. The DAs, ADs, and NAL Director assume the responsibility that in the event that the soft funds do not materialize, the employee hired on soft funds would be placed in a comparable permanently funded position within the program/administrative unit or the Area/NAL.

- 5) RSAs: Area Offices are reminded that there is an Agency policy to limit use of Research Support Agreements (RSAs) to seasonal, intermittent, temporary requirements not to exceed 4 years in duration. ADs should be prepared to provide status of their progress in meeting this initiative, including the number of current RSA employees and their length of tenure under the RSA.
- 6) Security Initiatives: Please include fiscal, physical, information technology, and operational challenges that your Area is facing regarding security issues in the State of the Area/NAL. This includes an update on facilities and operational changes that have been implemented and what remains to be done. Specific information related to physical security should be included in each State of the Location (see #33).
- 7) Proposed Program Adjustments: There may be several proposed program adjustments required for FY 2009 by Congressional budget actions. However, for ARMP planning purposes, please prepare your Area/NAL submissions based on the existing organizational structure and CRIS project guidelines which will be based upon **FY 2008 funding levels**.
- 8) AD Reserve: The following reiterates our current policy on use of the AD Reserve:
  - a) AD reserves (AD reserve, AD share of salary lapse, and pro-rata release of Agency salary lapse) will not be used to finance or supplement recurring or temporary operating expenses or salary costs of the AD/Deputy Area Deputy (DAD) operating budgets. **An exemption to this policy was provided in FY 2008. This policy exemption is not in effect for FY 2009. Any new policy changes will be published in FY 2009.**
  - b) The AD/DAD accounts will continue to retain 20 percent of their generated salary lapse, which can be used to support special needs within these offices. Additionally, ADs may request a release of temporary funding from the Headquarters-held Program Management (PM) salary lapse account.

## **SECTION B. GENERAL ARMP GUIDANCE FOR AREAS, NAL, AND LOCATIONS**

### FY 2009 Assessments

- 9) Global Climate Change (GCC): Agency assessments will again be covered by ARS Headquarters. Therefore, you do not have to budget for this cost. Should there be an unforeseen increase in the FY 2009 GCC budget, assessment against the applicable projects may be required. BPMS will advise you later in FY 2009 if this becomes necessary.
- 10) Radiation Safety Staff: Individuals holding permits to use radioactive materials or radiation emitting devices will be assessed a **fee of approximately \$3,400** per permit to support the ARS share of the Radiation Safety Staff (RSS) budget. Assessments are performed based on active permits as of October 1, 2008. Contact your Area Safety and Health Manager to cancel licenses prior to October 1 in order to avoid assessments for FY 2009. Final FY 2009 assessments will be determined based on the FY 2009 RSS budget which is yet to be determined. **Also, we have been notified that RSS may change their assessment**

**methodology. They may charge different fees for different types of licenses. We will publish more information as it is provided.** In the meantime, please budget **\$3,400** in the applicable MU ARMP for assessment later in FY 2009.

- 11) Small Business Innovation Research (SBIR) Program: Each approved extramural agreement (as defined below) that is funded from Agency appropriated resources will be assessed 2.5 percent to fund the ARS share of support for the SBIR Program, as required by the Small Business Innovation Development Act of 1982. Therefore, when negotiating with the cooperator, please ensure that sufficient funds are available in the MU to cover both the agreement amount and the SBIR assessment. For example, if you want to provide \$100,000 to the cooperator on an extramural agreement, you must plan an additional \$2,500 for the SBIR assessment against your base funds. The SBIR assessments will be withdrawn from the applicable CRIS projects as agreements are executed.

For the purposes of this assessment, extramural agreements are defined as cooperative agreements and grants. There are certain agreements/contracts that are exempt, such as RSAs and those with Tufts University and Baylor College of Medicine.

- 12) Biotechnology Research: To meet the requirements of the Farm Bill regarding risk assessment of biotechnology research, a temporary assessment of **2.0** percent will be made to the final FY 2009 CRIS allocations for current projects coded as biotechnology issued by BPMS the week of **August 11, 2008**. Once coded as biotechnology (BT), the percentage of the project that is BT will be assessed 2.0 percent. (For example, if a CRIS project has \$100,000 and is coded 50% BT, the 50% or \$50,000 is assessed at the 2.0% rate, for a total of \$1,000.) Please factor this into the development of your ARMP. **Once the assessment is completed, it can not be reversed if the coding is modified.**

- 13) NAL Assessments: The NAL will continue their annual assessments for Digitop and Document Delivery. These assessments will NOT be incorporated into the final allocations. Please budget this cost in the applicable MU ARMPs for assessment later in FY 2009.

### **Additional Cost Considerations**

- 14) Proposed Terminations. As you are aware, the budget proposed the termination of \$146 million of unrequested research projects together with proposed funding decreases identified by the Agency. Final decisions on these budget proposals may not be known until well into FY 2009. The eventual implementation of these proposals, should Congress support any of the proposed terminations, would result in the termination of ongoing specific research and management projects.

- 15) Reductions/Rescissions. **The Congress has been incorporating general across-the-board reductions/rescissions to meet appropriations targets and to reduce the deficit. This is likely to occur again before a final FY 2009 appropriation is enacted. In fiscal year 2008, the reduction/ rescission amounted to \$7,902,608 (.7%). Please consider the potential impact of a rescission when developing your ARMP.**

- 16) User IT Costs. **Information Technology costs related to software and license costs will continue to be charged back to the users, i.e., Area/Management Unit. These costs include Microsoft user Client Access Licenses (CALs), Patchlink, Antivirus software, Security Vulnerability Scanning software, Encryption software, and Security Compliance Automation software.**
- 17) User Telephone/Data Circuit Costs. **Long distance telephone (voice) charges generated by Locations/Management Units as well as the cost for maintaining/upgrading the data circuits supporting the Locations have been centrally funded. An analysis is currently underway to evaluate the possibility of charging back these costs to the users starting in FY 2009. We will provide separate correspondence on this billing and distribution process. We will also provide FY 2008 cost estimates as a means of projecting potential FY 2009 costs.**
- 18) GIS Costs. **Costs associated with using Global Imaging Software (GIS) have also been centrally funded. An analysis is currently underway to evaluate the possibility of charging back these costs to the specific users starting in FY 2009. We will provide separate correspondence on this billing and distribution process. We will also provide FY 2008 cost estimates as a means of projecting potential FY 2009 costs.**
- 19) NACI Costs. Homeland Security Presidential Directive #12 mandates that we will be required to obtain a National Agency Check with Inquiries (NACI) for all contractors working on our facilities or with access to our information. The NACI is the minimum OPM background/security check and costs approximately \$120 each. Please ensure funding is set aside to cover this cost at each Location.
- 20) The Integrated Acquisition System (IAS). IAS was implemented in June 2006. New Purchasing Agents and Contracting Officers will be required to obtain training prior to being provided access to IAS. This training will cost approximately \$1,000 (plus associated travel costs) per employee per class.
- 21) Training Costs. Contracting Officers and Purchasing Agents are currently required to take 40 hours of training to maintain their existing warrants. While this mandatory training requirement will increase to 80 hours in the future, it is not yet implemented within USDA. The Federal Acquisition Institute offers prepaid training for most mandatory (CON) training, but associated travel costs must be earmarked. In addition, training funds must be earmarked to cover maintenance training if all CON training is completed.

Note: The Acquisition and Property Division will provide additional guidance on # 20-21 in a separate issuance.

#### Program Considerations

- 22) Accountability by Project. Accountability by ARS projects continues to be essential. Your ARMPs must be consistent with the allocation issued by BPMS. Your staffing plans and program scope must be adjusted within the project allocations, ensuring that a good

salary/all other ratio exists. Any changes requested through ARIS by **July 18, 2008**, will be acted upon and a decision made in time for the final issuance of FY 2009 CRIS allocations scheduled for the week of **August 11, 2008**.

- 23) Discretionary Dollars/SY. One of the management criteria used for evaluating financial viability is \$25,000 Discretionary Dollars per SY. The \$25,000 Discretionary Dollars per SY is generally considered a minimally acceptable funding level. Please develop your budget planning accordingly based on the specific MU discretionary funding requirements.
- 24) Soft Funds. It is imperative that the Research Leaders/NAL Division Directors identify both the approved and the anticipated soft funding levels available to the MU, e.g., reimbursable agreements, trust funds, grants (where ARS is the performing agency), and any other outside funding such as State revolving funds. This will ensure that all financial resources available to the MU are captured and reflected in the ARMP database. All agreements that have a high probability of being executed should be reflected in the ARMPs. Also, include carryover balances for multi-year grants and agreements anticipated to be available to the MU in the FY 2009 MU ARMP package for soft funds. Finally, under the Remarks section of the Annual Operating Plan for the base fund ARMP, please identify the CRIS and soft funds available through a cooperative effort (e.g., National Science Foundation grants awarded to a university where an ARS scientist has an investigative role and access to funding) and capture the amount in the "Other Funding" field in the MU/CRIS Information Screen. Area Offices should review soft fund ARMP submissions.
- 25) IRC/SRC. To ensure accountability of resources in the Agency, it continues to be important to document indirect research costs (IRC) and shared research costs (SRC). Accurate and equitable distribution of IRC is important. Please ensure that the provisions of the policy relating to IRC/SRC, published February 29, 2000, continue to be applied in the development of the FY 2009 IRC and SRC, as applicable, at the Location level. The February 29, 2000, policy is incorporated into the ARMS manual as Pages 35-36 and Appendixes 3-5.

Area Offices are to review the documentation detailing the methods of assigning IRC/SRC as part of their ARMP review. Please refer to the sections of the ARMS manual which include the February 29, 2000, guidance for a listing of IRC/SRC costs with suggested alternative methods for assigning these costs.

IRCs and SRCs should be re-examined and managed annually to ensure they are funded at the appropriate level and are distributed to CRIS appropriately and equitably. These costs (especially SRCs), although categorized as "fixed" when calculating Discretionary Dollars per SY, need to be managed as any other cost. Flexibility for reducing participation in and, thus, costs of SRC programs, must be evaluated annually, especially when facing a Discretionary Dollars per SY level less than \$25,000.

- 26) Multi-Year Analysis. Multi-Year projections are to be developed for the FY 2009-2011 fiscal years. Enclosure 2 provides the specific parameters and format for documenting the consolidated Area and NAL Multi-Year Analysis. The numbers of SYs and non-SYs

eligible to retire, percent in IRC, as well as the FY 2009 Total Soft Funds (including those available through universities) **will continue to be captured**. All MUs are to be listed on the Summary of FY 2009 Multi-Year Analysis.

#### Personnel Related Considerations

27) Salary Lapse Policy. Enclosure 4 provides the current Agency Salary Lapse Policy in effect for FY 2009.

28) Salary Cost Projections. The basic policies on projecting FY 2009 salary costs were issued by FMD March 3, 2008. The key information for the FY 2009 process is summarized below:

- a) The annual pay cost/locality pay in the President's FY 2009 budget request is **2.9** percent. **[Please Note: The President has recommended a pay increase rate of 3.2 percent for military employees. In the past, Congress has tried to maintain parity between the civilian and military forces.]**
- b) Please ensure that sufficient funds are budgeted for bonuses and awards. **SES bonuses for FY 2008 performance (payable in FY 2009) are expected to range from \$6,000 to \$17,000.**
- c) Relocation costs and other future compensation cost increases, such as health benefits rate changes and recruitment incentives, must be absorbed by the MU.

Ensure that the appropriate footnotes are reflected on the Position Staffing Plan (PSP) as applicable. Continue to provide the appropriate footnote for designating student programs and emergency employees. This will avoid the need for data calls during the year if these situations arise. Continue to identify IT and safety staff. Enclosure 5 is an updated list of all available footnotes.

29) Retirement Eligibility. In order to capture a broader picture of the financial condition of the MU, a data element entitled, "Number of Personnel Eligible to Retire" is included in the ARMP system. Locations are expected to enter the number of personnel eligible to retire for each MU for scientists (SY) and non-scientists (NSY). This information will be reflected on the Annual Operating Plan and the MU Summary Report.

#### Specific Cooperative/Extramural Agreements

30) Discretionary versus Congressionally-Mandated Extramural Agreements. Prior to **FY 2008**, all funding recorded for Extramural Agreements (under Object Class 4000) was considered a "fixed" cost, regardless of whether the agreement was Congressionally mandated or not. The ARMPS system **has been** modified to differentiate funding for discretionary Extramural Agreements from those that have been Congressionally mandated as specified on the 550A. The computation for Discretionary Dollars per SY **was** adjusted accordingly. Any agreement identified as mandatory in ARMPS must be validated by the Area Office.

## Information Technology

31) The IT Resource Planning section of the State of the Area, State of the MU, and the State of the Location should identify the following:

- Funded and unfunded IT and telecommunications needs (documented on the funded or unfunded Procurement or Miscellaneous Plans) for:
  - IT hardware and software including, but not limited to, desktop, laptop, handheld, and other computers; file servers and other network equipment; printers, scanners, and other peripheral equipment; and computer and network software.
  - Telecommunications equipment including, but not limited to, circuits, switches, routers, hubs, cabling, wide area network access, analog/digital/wireless data transmission equipment (switched data, ISDN, frame relay, DTS, ATM, microwave, satellite), video technology, and voice transmission (PBXs, key systems, and voice circuits).
  - Support services including, but not limited to, systems development contracts, maintenance contracts, and consulting services.
- Any single IT procurement exceeding \$25,000 and any single IT project with multiple procurements exceeding \$25,000 that require IT acquisition approval from the USDA Office of the Chief Information Officer (see REE Bulletin 07-002). Each Area/Headquarters unit and NAL should send IT acquisition approval requests (formerly known as waiver requests) to Gary Rich, ARS-OCIO, in accordance with the instructions in REE Bulletin 07-002. Units are strongly encouraged to send approval requests at least 2 months in advance to ensure timely submission and consideration by the USDA OCIO. Please correlate the program or project with the expected key functionality of the IT system or service you are procuring;
- Life cycle management of IT infrastructure by addressing minimal replacement schedules recommended by the OCIO;

The new consolidated email system and underlying data communications network, ARSNet, **has been** deployed across the Agency. The minimum requirements for standard desktop PCs, routers, switches, and firewall models needed by each Area for proper connection into ARSNet are shown in Enclosure 6.

- IT standards that have been established, e.g., Microsoft Office 2003 for office software and Microsoft XP Operating System for desktop. Contact information for anyone seeking additional information regarding any IT and telecommunications products and services provided by the ARS OCIO (e.g., Sharepoint, ARSmail) along with a brief description of the nature of the information sought.
- Number of staff supporting or using Geographic Information Systems (GIS), whether

each is full-time or part-time, and a brief description of the projects involved, including products used. In FY 2009, the USDA OCIO is expected to renegotiate the agreement with ESRI Corporation.

- Plans for keeping IT skills\* current for all employees (documented on the funded or unfunded Miscellaneous Plan). Specifically address security and project management by identifying how many employees in IT-related positions are performing security functions and how many are serving as IT project managers; then describe plans for keeping these skills current. Identify any employee with a Project Management Certificate from the Project Management Institute or other such certification authority.

Accurately reflecting these requirements will ensure that the Agency Advanced IT Acquisition Plan is complete.

Enclosure 7 is an example narrative for the IT Resource Planning section of the State of the MU/Location.

\* Note: IT skills include: telecommunications, policy and planning, systems analysis, applications software, operating systems, network services, data management, internet, systems administration, and customer support.

### Procurement Considerations

32) Procurement Plans (550C) must be prepared for items valued at \$25,000 or more and include recurring service contracts (A-76, Government Owned Contractor Operated (GOCO), and large service contracts) with the corresponding Full-Time Equivalent support. If these plans are inaccurate or incomplete, the ARMP Executive Summary Reports and other contracts reports are distorted and do not reflect true costs.

### Physical Security Information

33) Locations should provide the following information under the “safety” section of the State of the Location narrative:

- Identify the type of access control system (name) currently in place and describe any plans to upgrade or replace electronic access control systems within the next 3 years.
- Describe the Location’s physical security human response model, including:
  - Position number of the physical security staff or of the staff responsible for physical security as a collateral duty;
  - Name of third-party security contractor (including Federal Protective Service, Campus Police Department, or local law enforcement). Indicate multiple responders, if appropriate

## Utilities Projections

34) Due to the rising utilities costs experienced in previous years, please ensure that you continue to coordinate with your local gas/oil and electric companies to project FY 2009 costs based on the most current and projected rates for the coming year. Budgeting sufficient funds in the ARMP to cover these costs will result in a more accurate portrayal of fixed costs and assist in identifying potential funding shortfalls early in the fiscal year.

The Facilities Division will **continue to** investigate the procurement of electricity and natural gas through the Defense **Energy Support Center (DESC)**. DESC has the capability to procure electricity and natural gas for ARS facilities in deregulated states **as well as procure fuel oil**. Proximity to DOD facilities is not necessary. DESC will analyze the prices we are being charged by our utilities, identify opportunities to furnish the energy at better rates, and enter into a contract with ARS to provide energy utilizing the existing utility infrastructure. DESC can also procure renewable energy credits from the least expensive source to meet the Energy **Independence and Security Act of 2007** requirements (See #37).

## Facilities Asset Management/Safety and Health Considerations

35) A separate ARMP, using an accounting code ending with the number 966, should be developed to capture only Operations and Maintenance (O&M) costs at the Location. This will facilitate the consolidation and reporting of O&M costs for the Agency to the Department. Refer to Bulletin 06-303, Capturing Operations and Maintenance Costs, for specific instructions.

36) We must manage permanent base resources allocated to CRIS projects to cover essential needs on a routine basis rather than depend on funds from Headquarters or the Area Office. You are reminded that the Location/MUs are expected to earmark a minimum of 4 percent of base funds for Repair and Maintenance (R&M) and Energy Retrofit (ER) projects, as applicable. R&M includes preventative maintenance, normal repairs, replacement of parts and structural components, and other activities to preserve a fixed asset so that it continues to provide acceptable service and achieves its expected life. R&M excludes activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, those originally intended. You will need to identify some FY 2010 R&M, ER, and construction projects that can be designed in FY 2009.

37) The Energy Policy Act of 2005 (EPACT 2005), Section 103, requires all Federal Agencies to install **advanced electric meters (devices that measure consumption at least hourly and report data at least daily) at federal facilities where cost effective by October 1, 2012. The Energy Independence and Security Act of 2007 (Subtitle C, Section 434) requires advanced meters be installed on natural gas and steam service where cost effective by October 1, 2016. You are encouraged to begin installing electric, natural gas and steam service meters on energy intensive facilities over 10,000 gsf, or facilities that have an energy usage over \$40,000/year in FY 2009. Because of the current lack**

**of line item appropriations to implement EPACT 2005 and the Energy Independence and Security Act of 2007**, you will need to implement some degree of energy retrofit projects (studies/audits/design/construction) via financing from the 4 percent base fund program and the Area/NAL R&M allocation. **Please coordinate these activities with the Facilities Division.**

- 38) You are reminded that Area offices must obtain approval from Headquarters to use any Building Authority expected to exceed \$25,000. Headquarters is required to report to Congress on a semi-annual basis each year on the use of these authorities (January 1, 2009, and July 1, 2009). Accounting procedures and responsibilities are outlined in **Bulletin 08-200, Facilities Construction Authorities.**
- 39) Facility projects \$25,000 and above must be reviewed and approved by the Area Asset Management Review Board (AMRB) and included on the **Area's 3-Year CPRP (Bulletin 08-151 Capital Projects and Repair Plan).**
- 40) Enclosure **8** shows the Facility Deficiency Codes and Safety Codes to be used.
- 41) Three HPRLs will be required: R&M, Hazardous Waste Cleanup (HWC), and Non-R&M/HWC (involving everything but R&M and HWC). Projects \$25,000 and above must be on the approved Area 5-Year CPRP. Please note that ER projects should be included on the R&M HPRL. The HPRLs are due to Headquarters on **October 6, 2008**. The R&M HPRL should be no more than 3 percent of base funds. The following criteria should be used for reporting modernization projects at those sites approved for modernization by the Administrator:
  - a) The designation "MOD" should be the first characters reflected in the "Description" field.
  - b) The modernization projects must be shown in priority order with other R&M HPRL needs.

For the non-R&M/HWC HPRL, limit your request to a maximum of 1 percent of base funds.

- 42) Projects to be requested on the HWC HPRL include Resource Conservation Recovery Act and Comprehensive Environmental Response, Compensation, and Liability Act requirements that entail removal, remedial, or pre-remedial activities costing greater than \$25,000. Please see P&P 230.1 – ARS, Tracking of Hazardous Waste Cleanup Funds, for additional guidance concerning eligibility requirements and general procedures. If a project is time critical, i.e., requires funding in the first quarter of the fiscal year, please advise FD via memorandum. FD will ensure that the proposed HWC project is forwarded to the Operations Staff for consideration outside the ARMP process.
- 43) Other environmental requirements that do not qualify for HWC funding may be considered on the R&M HPRL or the non-R&M/HWC HRPL. Additionally, Areas and Locations

should consider using other funding such as base fund resources or discretionary funds to implement these requirements. The Agency's priority projects, in descending order, include those required to: 1) correct a potential threat to human health or the environment, 2) support a signed Consent Decree, Order, or similar legally binding agreement, 3) correct deficiencies cited in a regulatory inspection, notice of violation, or equivalent, 4) bring the Agency into compliance with a statutory requirement, and 5) demonstrate environmental leadership. In order to receive appropriate consideration, when applicable, include the compliance status in the project narrative. Similarly, pollution prevention project narratives should include a summary of the cost payback period and/or the environmental benefits derived.

**FY209 Annual Resource Management Planning Process  
Enclosures**

Enclosure 1	FY2009 ARMP Schedule
Enclosure 2	Guidance for Multi-year Analysis
Enclosure 3	Procedure for National Program Review of SY Recruitment Actions
Enclosure 4	Agency Salary Lapse Policy
Enclosure 5	Footnote Explanation
Enclosure 6	Recommend Configuration for Standard Desktop PC
Enclosure 7	Example Narrative for IT Resource Section of State of MU/Location
Enclosure 8	Facility Deficiency and Safety Code Indicators

FY 2009 ARMP SCHEDULE

ACTION	DATE
<b>ARIS Opens for FY 2009 Business</b>	<b>Early-Mid May</b>
BPMS Issues Preliminary CRIS Allocations	June 9 (week of)
Last Day Approved CRIS Changes Accepted for Final CRIS Allocation	July 18
BPMS Issues Final CRIS Allocations	August 11 (week of)
Area/NAL/PM/AFM ARMP Submissions due to FMD	September 5
State of the Area/NAL, Area/NAL HPRL's, and Area Multi-Year Analysis due to FMD	October 6
SRMP Review Meetings with the Administrator	November/December 2008

## GUIDANCE FOR MULTI-YEAR ANALYSIS

Please use the template in the attached Excel spreadsheet for your Multi-year Analysis.

Parameters:

- Assume **2.9** percent for the combined general pay cost and locality pay effective January 2009 and 2010. [Note: The President has recommended a pay increase rate of 3.2 percent for military employees. In the past, Congress has tried to maintain parity between civilian and military forces.] The annualized pay cost rate is **2.15** percent for FY 2010 and 2011.
- The increase in IRC or other fixed costs can be determined at the MU/Location level. However, if you prefer to use a standard percentage for inflationary increases, use **2.1** percent for FY 2010 and FY 2011.
- Hold the number of SYs constant in the out-years.

Use the data reflected on the FY 2009 MU ARMP Annual Operating Plan and MU Summary Report to compute the FY 2010 and FY 2011 Discretionary Dollars/SY as follows:

1. Calculate the next year salary increase (SI) and IRC increase plus any other significant increase in a fixed cost that would reduce discretionary resources.

Total Salaries = Federal permanent and temporary salaries plus RSA Salaries.

FY 2010 SI = FY 2009 Total Salaries x Annualized Pay Cost Rate

FY 2010 IRC Increase = Change in IRC or other fixed costs over FY 2009 determined locally

2. Total the increases derived in Step 1 and divide by the # of SYs shown on the MU Summary Report. The result is the “Out-year Reduction Factor” or ORF to the Discretionary Dollars per SY.

$(\text{FY 2010 SI} + \text{FY 2010 IRC Increase}) / \# \text{ of MU SYs} = \text{ORF}$

3. Subtract the ORF from the FY 2009 Discretionary Dollars per SY figure reflected on the MU Annual Operating Plan (AOP) to determine the FY 2010 Discretionary Dollars per SY.

$\text{FY 2009 Discretionary Dollars per SY} - \text{ORF} = \text{FY 2010 Discretionary Dollars per SY}$

Repeat Steps 1-3 to determine the FY 2011 Discretionary Dollars per SY, subtracting the FY 2011 ORF from the derived FY 2010 Discretionary Dollars per SY figure.

4. Summarize the information for FYs 2009, 2010, and 2011 by MU on the “Summary of FY 2009 Multi-year Analysis” shown on Page 3 of this enclosure.

An example multi-year analysis is provided on the next page.

Example Multi-year Analysis:

Location A  
MU 1

Factors:

FY 2009 Discretionary Dollars per SY = \$35,250

FY 2009 Total Salaries= \$395,250

FY 2009 SY Total = 13

FY 2010 Annualized Pay Cost Rate: 2.15%

FY 2011 Annualized Pay Cost Rate: 2.15%

To compute FY 2010 Discretionary Dollars per SY:

Step 1:

FY 2010 SI: FY 2009 Total Salaries of \$395,250 x 2.15% = \$8,498

FY 2010 IRC Increase = \$17,500 (derived locally)

Step 2:

$(\$8,498 + \$17,500)/13 = \$2,000$  ORF

Step 3:

FY 2010 Discretionary Dollars per SY = \$35,250 - \$2,000 ORF = \$33,250

To compute FY 2011 Discretionary Dollars per SY:

Step 1:

FY 2011 SI:  $(\$395,250 + \$8,498) \times 2.15\% = \$8,681$

FY 2011 IRC Increase = \$20,500 (derived locally)

Step 2:

$(\$8,681 + \$20,500)/13 = \$2,245$  ORF

Step 3:

FY 2011 Discretionary Dollars per SY = \$33,250 - \$2,245 = \$31,005

Example Summary on the next page.



June 23, 2006

SUBJECT: National Programs Review of SY Recruitment Actions

TO: Area Directors

FROM: Caird E. Rexroad, Jr. /s/  
Associate Administrator

The purpose of this memorandum is to establish a revised procedure related to filling SY positions as well as abolishing existing SY positions. To streamline the SY recruitment and SY position abolishment process, the Area Director will obtain National Program Staff (NPS) concurrence on the recruitment or abolishment of the position description prior to submitting the SF-52 to the Human Resources Division (HRD).

The streamlined approval process facilitates communication between the parties who are directly responsible for making decisions on the content of the position descriptions. There is little benefit for HRD to be involved until after the NPS and the Area Office have come to consensus. Submitting the proposed position description or request to abolish an existing position description via email will enable the National Program Leaders to access the information while they are out of the office and not have to wait to receive a paper copy. This will expedite the approval process and make it easier to keep track of when documents are submitted for approval. This new process will speed up both processes since all necessary approvals will be received prior to submitting the SF-52 and position description to HRD. This new process will also facilitate the Area Office's involvement in the concurrence process since it will provide direct interaction on changes in the proposed position description without being dependent on HRD for status updates.

This revised procedure is effective for any new SY actions that are to be effective July 3 and after. If a new SY action is to be effective before July 3, this procedure is not necessary.

If you have any questions, please contact either Carol Gramlich, HRD, on 301-504-1459 or Jill Stetka, NPS, on 301-504-4581.

2 Enclosures:

Revised National Program Staff Clearance Process for SY Positions  
Template Memo, Subject: SY Recruitment Approval Request

cc: w/encl.

J. Stetka, NPS

C. Gramlich, HRD

K. Brownell, HRD  
National Program Leaders, NPS  
Deputy Administrators, NPS

**Revised National Program Staff (NPS) Clearance Process for SY Positions –  
Effective July 3, 2006**

New Process: In an effort to streamline processes, the Area Director (AD) will obtain NPS concurrence on SY position descriptions prior to submitting the recruitment SF-52 and position description as well as requests to abolish an existing SY position to HRD.

The streamlined approval process entails the following procedures:

- The Area Office (for example, the Area Program Analyst) will submit the proposed position description for recruitment or request to abolish an existing SY position and the attached request form to Jill Stetka in NPS via email.
- Jill will forward either the position description or abolishment request along with the request form to the appropriate NPL.
- NPL will initiate discussions with the Area Office if they do not concur with the program content of the position description or the request to abolish a position.
- Once the National Program Leader/Deputy Administrator concurs with the proposed recruitment and position description or request to abolish a position, Jill will return the form via email to the Area Office notifying the AD of the approval. The turnaround time for review and concurrence will be approximately 5 work days.
- The Area Office will forward to HRD the SY recruitment documents which include the SF-52, position description, and a copy of the approval request from NPS. In the case of an abolishment, the Area will forward to HRD copy of the attached request form via email.

This revised procedure is in line with the President's Management Agenda to streamline business processes as well as the score card initiative to reduce recruitment time for vacancies.

Date \_\_\_\_\_

SUBJECT: SY Recruitment Approval Request/Request to Abolish Existing SY  
Positions  
(for Category 1 and 4 Positions)

TO: Jill Stetka  
National Program Staff

FROM: \_\_\_\_\_

**REQUEST FOR APPROVAL TO RECRUIT**

SF-52 Number \_\_\_\_\_ PD# \_\_\_\_\_

Location \_\_\_\_\_

Title, Series, Grade \_\_\_\_\_

---

NEW     VICE    NAME \_\_\_\_\_

Research Unit \_\_\_\_\_

New Program Increase Funds?         Yes                     No

Program Increase Title:  
\_\_\_\_\_

Remarks \_\_\_\_\_

---

**REQUEST TO ABOLISH AN EXISTING SY POSITION**

Location \_\_\_\_\_

PD # \_\_\_\_\_

Title, Series, Grade \_\_\_\_\_

Program rationale being abolished: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**NPS Action**

- APPROVED FOR RECRUITMENT
- NOT APPROVED FOR RECRUITMENT
  - HOLD FOR POTENTIAL PLACEMENT OF ARS SCIENTIST – AD NOTIFIED.
  - INITIATE DIRECTED REASSIGNMENT OF SCIENTIST NAMED BELOW. AD NOTIFIED.

SY Name: \_\_\_\_\_

- APPROVED FOR ABOLISHMENT
- NOT APPROVED FOR ABOLISHMENT

COMMENTS \_\_\_\_\_

NPL SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

DA SIGNATURE \_\_\_\_\_

### Agency Salary Lapse Policy

- All permanent positions are to be budgeted for the full year FTE established in the ARMP.
- Salary lapse is reportable for all permanent positions with the following exceptions:
  1. Positions established in the year that new program increases are appropriated.
  2. Positions established in the current fiscal year with an entrance on duty (EOD) date in the *subsequent* fiscal year.
  3. Positions abolished during the fiscal year as approved by the Area/NAL Directors.
  4. New positions established after the ARMP and filled during the same fiscal year to accommodate Agency mandated redirections or other Agency mandated actions. These positions do not have to be annualized in the year they are established.
- Salary lapse accrues from the following situations:
  1. A vacant position budgeted in ARMP is not filled until sometime after October 1.
  2. An encumbered position becomes vacant during the fiscal year and is not backfilled until later in the fiscal year.
  3. A new permanent position established after the ARMP and filled during the same fiscal year unless covered by an exception listed above. The salary cost of this new position must be annualized back to October 1 and salary lapse reported up to the EOD date.
  4. An encumbered position becomes vacant temporarily due to leave without pay (LWOP) or absent without leave (AWOL) for 30 consecutive days or more.
  5. The budgeted salary of an encumbered position is reimbursed partially or fully which has not been documented in the soft funds ARMP.

Only MUs having reportable salary lapse (or conversely, negative lapse) in excess of \$1,000 are required to submit a salary lapse report.

- Allowable offsets to reportable salary lapse include:
  1. Lump sum leave payments for accrued annual leave due to an unanticipated separation or retirement not budgeted in the ARMP.
  2. Back pay due to the appeals or reclassification processes.
  3. Overtime worked or the cost of short-term, temporary appointments from any source (Federal or non-Federal) during recruitment of a permanent position.
  4. Severance pay or separation incentives (buyouts), if approved for use by ARS.
  5. Substitution of one permanent Federal position for another permanent Federal position.
- Non-allowable offsets to reportable salary lapse (must be funded by the MU) include:
  1. Lump sum leave payments if retirement date is known where the position will be abolished after the retirement and the salary is budgeted for only that part of the fiscal year in ARMP, i.e., the ARMP budget must include the estimated lump sum leave amount as well as the salary cost up to the retirement date.
  2. Actual cost of overtime, promotions, awards, etc., that exceeds the budgeted estimates for these costs in the ARMP.
  3. Increases in benefits or special pay occurring during the fiscal year.
- Frequency of Reports:

Salary lapse will be reported three times per year: April, June, and August.

## Footnote Explanation

- A1 Incumbent will be reassigned out of the MU and position to be abolished (arrangements have been made).
- A2 Position can no longer be supported (e.g., position's function is superfluous to the MU mission; inadequate funding for the position; etc.) and assistance is needed in placement of current incumbent.
- B When vacated, resources will be redirected.
- C (Numbered C1, C2,...C9) Position/employee is officially assigned to and supervised within this organization, devoting \_\_\_ percent of work time, yet remainder of the time is spent in \_\_\_\_\_. (Can list up to three Accounting Codes.)
- D (Numbered D1, D2,...D9) Position/employee devotes \_\_\_ percent of work time to this MU but is officially assigned to and supervised within \_\_\_\_\_. (One Accounting Code.)
- NOTE: A position cannot have both a C and a D footnote.
- E1 Research Associate – headquarters approved, headquarters funded.
- E2 Research Associate – headquarters approved, some/all locally funded.
- F Research Associate – locally approved, locally funded.
- G Student Career Enhancement Program (formerly Cooperative Education Program).
- I L/A Appointment.
- J Student Temporary Employment Program (formerly Stay-in-School position).
- K Summer Aid position.
- LC Location Coordinator
- L1 Level I SY (i.e., Lead Scientist/Project Leader)
- L2 Level II SY (i.e., Research Leader)
- L3 Level II Scientist (i.e., Director)

- L4 Level IV Scientist (i.e., Area Director)
- M1 Exigency employee that must report to or remain on work site for weather or other emergency condition.
- M2 Exigency employee that must report to or remain on work site for budget shutdowns.
- N1 Safety Officer.
- N2 BioSafety Officer.
- N3 Radiological Safety Officer (RSO).
- N4 Collateral Duty Safety Officer (CDSO).
- P Position will be examined for performance by extramural effort (i.e., grant, contract, or Research Support Agreement).
- Q Position is reserved for the eventual return of an ARS employee who is currently assigned to an ARS overseas position administered by the Assistant to the Administrator, International Activities.
- R Includes funding from other sources.
- S (Numbered S1, S2,...S26) Employee is technically supervised by position number \_\_\_\_\_.
- T1 Person responsible for assuming the security of IT systems including telecommunications.
- T2 Technical IT and telecommunications contact(s) responsible for local area network administration, e-mail management, and voice, video, satellite, and radio transmissions.
- T3 Person responsible for maintaining unit web site.
- T4 Person responsible for security telecommunications (for COOP sites only).
- X (Numbered X1, X2,...X9) Recruitment Incentives Apply.
- Z (Numbered Z1, Z2,...Z26) Other (MU must explain).
- Z99 Employee on long-term OWCP.

Recommended Configuration for Standard Desktop PC

<u>Base Unit:</u>	<u>Core 2 Duo E6550/2.33GHz,4M VT,1333FSB</u>
<u>Memory:</u>	<u>2GB,Non-ECC,667MHz DDR2 4X512MB,</u>
<u>Keyboard:</u>	<u>USB Keyboard</u>
<u>Monitor:</u>	<u>22 Inch Flat Panel,22.0 Inch Viewable</u>
<u>Video Card:</u>	<u>Integrated Video,GMA3100</u>
<u>Hard Drive:</u>	<u>80GB SATA 3.0Gb/s and 8MB DataBurst Cache,</u>
<u>Floppy Disk Drive:</u>	<u>3.5 inch, 1.44MB, Slimline Floppy Drive</u>
<u>Operating System:</u>	<u>Windows XP Professional Service Pack 2,with Media</u>
<u>Mouse:</u>	<u>USB 2-Button Optical Mouse with Scroll</u>
<u>CD-ROM or DVD-ROM Drive:</u>	<u>8X DVD+/-RW</u>
<u>Speakers:</u>	<u>Stereo Speakers</u>
<u>Documentation Diskette:</u>	<u>Resource CD</u>

Recommended Configuration for Laptop with Docking Station

Base Unit:	Intel Core 2 Duo T7100, 1.80GHz, 800MHz, 2ML2 Cache, Dual Core
Processor:	14.1 inch Wide Screen WXGA+ LCD
Memory:	2.0GB, DDR2-667 SDRAM, 2 DIMM
Keyboard:	Internal English Keyboard
Monitor:	Flat Panel with Height Adjustable Stand,19.0 Inch
Video Card:	Intel Integrated Graphics Media Accelerator X3100
Hard Drive:	120GB Hard Drive 9.5MM 7200RPM
Hard Drive Controller:	Touchpad with UPEK fingerprint reader
Floppy Disk Drive:	none
Operating System:	Windows XP Professional, SP2 with media,
Mouse:	USB 2 Button Optical Mouse with Scroll
CD-ROM or DVD-ROM Drive:	8X DVD+/-RW
Speakers:	Sound Bar for UltraSharp Flat Panel

Recommended Configuration for Travel Laptop

Base Unit:	Intel Core 2 Duo T7100, 1.80GHz, 800MHz, 2ML2 Cache, Dual Core
Processor:	14.1 inch Wide Screen WXGA+ LCD
Memory:	1.0GB, DDR2-667 SDRAM, 1 DIMM
Keyboard:	Internal English Keyboard
Video Card:	Intel Integrated Graphics Media Accelerator X3100
Hard Drive:	60GB Hard Drive 9.5MM, 5400RPMfor
Hard Drive Controller:	Touchpad with UPEK fingerprint reader
Floppy Disk Drive:	none
Operating System:	Windows XP Professional, SP2 with media
Mouse:	USB 2 Button Optical Mouse with Scroll
CD-ROM or DVD-ROM Drive:	8X DVD+/-RW

**Current Minimum Basic Configuration for Routers, Switches,  
and Firewalls**

All models listed are IPV6 compatible and dual stack compatible.

<b>Router</b>	Cisco 2821
<b>Switch</b>	Cisco Catalyst 2950 Series
<b>Firewall</b>	Cisco ASA – Adaptive Security Appliance (model depends on number of users and general data traffic)

## Example Narrative for IT Resource Section of State of MU/Location

The following are examples of how an IT Resource Planning narrative might look. Adequate length of a typical narrative is envisioned to be one page or less.

### Example 1

The Location upgraded internal network wiring in FY 2008 as phase 1 in a three-year plan to modernize the Location IT infrastructure. Network switches will be replaced in FY 2009 at an estimated cost of \$12,000, refer to Miscellaneous Plan. The network server is planned to be replaced in FY 2010, but due to a need for increased capacity, we are requesting \$18,000 in HPRL funds to replace the server in FY 2009, refer to unfunded Miscellaneous Plan, and the HPRL list priority #2. The Location is planning to replace 14 PCs used by scientific and administrative personnel to comply with the Agency's recommended life cycle replacement policy, refer to Procurement Plan. In order to facilitate better coordination and communication with the Quincy work site, a new video conferencing system is planned for FY 2009, refer to Miscellaneous Plan.

The Location network obtains Internet services by way of the USDA UTN. The local network is protected by a firewall. Several workstations at the Quincy work site are not connected to the USDA UTN. These workstations connect to the local University network. We have submitted a request for a Technical Waiver from the Department. The workstations are protected with personal firewalls and anti-virus software.

Key individuals responsible for IT functions are designated by T footnotes on the Position Staffing Plan. On-line training will be provided to staff adopting new word processing software. Network Administrator will be attending Advanced Network and Security Training (\$2,500 has been allocated for this training). All PCs have recommended virus protection and are backed up to ensure data protection.

The Location telephone system has reached its expected life cycle and will need to be replaced in FY 2009. Plans will be developed with the Area Office and the OCIO in FY 2009 to ensure compliance with Departmental policy DR 3300-1.

### Example 2

The GGD would like to procure a genomics analysis system that will model plant genetic decomposition and track genetic markers. This system supports the Plant, Microbial & Insect Genetic Res., Genomics, & Genetic Improvement Program and the "High Throughput Systems for Single Nucleotide Polymorphism Analysis" project. Key components of this system include a database to house the genomic data and a set of client workstations to access and analyze the data.

In order for our research area to maintain its IT workforce, we need to have staff skilled in bio-informatics. This skill is currently required and performed by interns (two interns are currently on-board). With the addition of the genomic analysis system mentioned above, additional resources are needed. Specifically, the staff must have experience using Pearl programming language and familiarity with UNIX operating systems. We plan to train one current staff member in these skills, and we plan to hire another staff member with these skills.

The following IT standards have been voluntarily imposed in our Location:

All desktops contain the following software:

- Microsoft Office 2003
- Microsoft XP Professional, SP2 Operating System
- Microsoft Outlook
- Internet Explorer
- Adobe Acrobat Professional
- Adobe Acrobat Reader 8.0

All servers are running the following software

- Microsoft Exchange
- Microsoft 2003 Server

## Facility Deficiency and Safety Code Indicators

DEFICIENCY AND SAFETY CODE INDICATORS						
	SAFETY AND SECURITY DEFICIENCIES / NEEDS					FUNCTIONAL DEFICIENCIES / NEEDS
	Correct <b>IMMINENT DANGER</b> conditions (Safety)	Correct Existing <b>SERIOUS HAZARD</b> (Safety & Health)	Repair or alteration work to enhance <b>LABORATORY SECURITY</b>	Repair or alteration work to enhance <b>SITE &amp; BUILDING SECURITY</b>	Correct <b>OTHER THAN SERIOUS HAZARD</b> (Safety & Health)	Repair or alteration work to correct <b>BUILDING DETERIORATION, FUNCTIONAL and CODE</b> deficiencies.
CODE >	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
	URGENT PRIORITY	HIGH PRIORITY		MEDIUM PRIORITY		LOW PRIORITY

Code 1 Imminent Danger: A condition or practice which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated through normal administrative/engineering procedures. Situations identified must be immediately referred to Location management for intervention to mitigate the situation.

Examples:

- Bare electrical wires near grounded surfaces.
- Pressure relief valves tied off, or corroded shut.

Code 2 Serious Hazard: Shall be deemed to exist if there is a substantial probability that death or serious physical harm could result from a condition which exists of from one or more practices, means, methods, operations, or processes which have been adopted or are in use.

The test:

1. Is there a violation of the recognized standard?

2. Severity of the type of injury that could reasonably result.
3. Will the resulting injury make a body part functionally useless or substantially reduce the effectiveness of the body part.

Examples:

- Unguarded machinery that would cause amputation.
- Ungrounded electrical systems.
- Reduced air flow in hoods in areas of toxic chemical use.
- Unguarded floors.
- Any activity that could cause explosion or fire.

Code 3 Repair or alteration work to enhance Laboratory Security.

Examples:

- Laboratories and plant and animal care areas are to be separate from the public areas of the buildings in which they are located.
- Laboratories and plant and animal care areas must be locked at all times.
- Use of key cards or similar devices to permit and record entry of all authorized personnel into laboratory and animal care areas
- All refrigerators and freezers containing pathogens are to be locked and/or contained in a secure laboratory as described above.

Code 4 Repair or alteration work to enhance Site and Building Security

Examples:

- Use of physical barriers, parking controls, lighting, and Closed Circuit Television Monitoring (CCTV).

- Use of access control (i.e., providing a combination of walk-through metal detectors and X-ray devices, some combination of ID check, electronic access card, and turnstiles at entrances.)
- Use of CCTV to monitor exterior of the facility. Use of security locks on all doors and windows and an intrusion detection system. All life safety systems, intrusion alarms, and CCTV monitoring devices must have emergency power backup. All access to utility areas must be secured and access limited to authorized personnel.

Code 5 Other Than Serious Hazard: Defined as an accident or illness resulting from a hazardous condition (code violation) that would probably not cause death or serious physical harm but would have a direct and immediate relationship on the safety and health of the employee.

Examples:

- Those mandated regulations and standards where "shall" and "will" are active in the regulations.
- Those standards or code violations where the word "should" or "may" are the active word of the code paragraph.
- If there is a specific problem with a building / equipment / procedure not covered by a specific code, but would enhance the overall safety and health opportunity for the employees.

Code 6 Repair or alteration work to correct building deterioration, functional and code deficiencies.

Examples:

- Improve operational utilization, increase energy efficiency, extend useful life of an existing facility, and compliance with current code requirements.