



**Department of Energy**  
Washington, DC 20585

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**MEMORANDUM FOR DISTRIBUTION**

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SUBJECT: Compliance with Established Policies and Guidance for  
Contractor Work Force Restructuring

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As you know, the Office of Legacy Management (LM) is the Department's focal point for all work force restructuring actions. As a reminder of policies and guidance that should continue to be followed when implementing work force restructuring actions, please reference the *Planning Guidance for Contractor Work Force Restructuring* dated December, 1998, [www.LM.doe.gov](http://www.LM.doe.gov) and *DOE Order 350.1: Contractor Human Resources Management Programs*, [www.doe.gov](http://www.doe.gov).

One of the primary objectives of Departmental policies and guidance on workforce restructuring is to ensure that contractor work force restructuring actions are conducted in a fiscally responsible manner. It is therefore imperative that site offices make sure the contractors are providing a solid business case for restructurings. All work force restructuring actions should be guided by a demonstrated business case, a commitment to limiting backfilling, and thorough analyses of benefit amounts to be offered as part of separation programs. Consistent with its obligations under Executive Order 11246 of September 24, 1965, as amended by Executive Order 12086 of October 5, 1978, the Department will particularly scrutinize any proposed workforce restructuring actions involving fifty or more employees in a twelve-month period for possible disparate impact on minorities and other protected classifications of employees.

While the aim of the above policies and guidance are to achieve common objectives that provide for effective and efficient contractor work force restructuring planning, they are in no way meant to hinder tailored approaches at each site to meet these objectives. Reflecting these concerns, the approval thresholds remain as follows:

Up to 100 employees	DOE/NNSA notification by contractor
101-200 employees	DOE/NNSA Field Office approval
201-500 employees	LM approval/NNSA Administrator approval, in consultation with LM
501 and above employees	Under Secretary/NNSA Administrator approval

