Department of Energy
Washington, DC 20585

July 15, 2013

MEMORANDUM FOR DISTRIBUTION

FROM: CARMELO MELENDEZ
SENIOR REAL PROPERTY OFFICER AND
HEAD OF CONTRACTING ACTIVITY FOR REAL PROPERTY
MANAGEMENT, OFFICE OF PROPERTY MANAGEMENT

SUBJECT: Real Estate Certification and Contracting Officer Program

ISSUE: The purpose of this memorandum is to promulgate improvements to the Real Estate Certification program and establishment of Real Estate Contracting Officers (RECO) within the Department of Energy (DOE). These changes acknowledge the inclusion of GS-1170 series personnel, Realty Specialists, within the DOE acquisition workforce and bring the Certified Realty Specialist (CRS) program into alignment with those of other DOE contracting functions.

BACKGROUND: The Secretary of Energy has authority under several statues, including the Department of Energy Organization Act of 1977 and the Atomic Energy Act of 1954, to take all necessary actions to acquire, lease, manage and dispose of real property interests. This authority may be delegated, excluding acceptance of donations, providing indemnification, initiating condemnation proceedings and executing declarations of taking. This authority is delegated to DOE federal employees in the GS-1170 Realty Specialist series, who obtain CRS certification in accordance with the DOE Order 430.1B. Per DOE O 430.1B, a CRS must review and approve all real estate actions to acquire, manage, and dispose of real property before an action is executed. Many federal agencies issue contracting officer warrants to properly-qualified Realty Specialists in the GS-1170 series. DOE has not, in the past, issued RECO warrants and has instead relied on the CRS program. In many respects, a CRS is equivalent to a contracting officer for real estate actions; however, it is often unclear whether a CRS has the authority to obligate the Government.

IMPLEMENTATION: Many federal agencies issue warrants to properly-qualified Realty Specialists in the GS-1170 series and appoint them Contracting Officers (COs) . DOE has the authority to issue RECO warrants under DOE Order 541.1B which governs appointment of COs and lists "real property management" as a functional area for which warrants may be issued. DOE O 541.1B allows a Head of Contracting Activity (HCA) to issue warrants to COs in designated areas. The Director, Office of Property Management and Senior Real Property Officer (SRPO), has been designated as the Head of Contracting Activity (HCA) for Real Property Management. The role of the HCA is to: develop issue, maintain and revise policy, procedures and guidance for contracting

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actions; establish, monitor and maintain a certification program for real property personnel; and issue warrants for acquisition, leasing, management and disposal of real property. DOE O 361.1B governs training and career development for the acquisition workforce, which is defined to include COs for real property. O 361.1B states that training and certification requirements for acquisition workforce members will be specified in the Acquisition Certifications Management Program (ACMP) Handbook.

The process and requirements for becoming a CRS previously found in the *DOE Real Property Process - a Desk Guide for Real Estate Personnel* (Real Estate Desk Guide) has been relocated to the ACMP Handbook. The ACMP Handbook contains a chapter on Real Estate Contracting Certification that has been updated and revised to comply with all relevant authorities.

The requirement of Order 430.1B, that a CRS review and approve all real property actions prior to execution, will remain substantively unchanged, but an administrative revision of the Order will be sought to replace references to CRS with RECO. CRS will be maintained as the designation of individual competency, but RECO warrants will indicate transactional authority.

Contracting Officer Appointment

The HCA for Real Property will appoint CRS certificate holders as RECOs and issue warrants. The intent is for CRS certification to be based on an individual applicant's competency and experience whereas RECO warrants will be issued based on organizational need for signature authority at certain positions and locations. CRS certification can be maintained throughout an individual's employment at DOE, whereas a RECO warrant is tied to the position held by the individual at the time of warrant issuance and is subject to continued organizational need. This segregation of certification and warranting is consistent with standard practices in the acquisition workforce, including the DOE Acquisition Career Management Program. RECO appointments will be in the following specialty areas: acquisition, leasing, and land management and disposal. Three levels of appointment, in each specialty area, with approval levels tied to the dollar-value of individual transactions will be issued: Level I is limited to transactions valued at or below the simplified acquisition threshold as defined in the FAR, currently $150,000 (net annual average rent for leases); Level II is limited to transactions valued at or below $500,000 (net annual average rent for leases), and; Level III is unlimited.

Line of Authority

The Certification Committee currently established for the CRS program will continue to review applications for both CRS certification and RECO warranting and make recommendations to the HCA/SRPO. The HCA for real estate will sign all CRS certifications and all RECO warrants for DOE personnel. The HCA/SRPO will be able to, in his/her discretion, issue one-time delegations to a NNSA RECO to execute specific real

estate actions on behalf of DOE and, with approval of NNSA management, issue one-time delegations to a DOE RECO to execute specific real estate actions on behalf of NNSA. None of these actions shall be construed to supersede or otherwise interfere with the authorities provided to the Administrator for Nuclear Security by law or delegation. Furthermore, nothing herein constitutes authority to exercise authority, direction, or control of an employee of the National Nuclear Security Administration.

Per DOE O 430.1B, the Senior Realty Officer (SRO) reviews and approves realty actions for offices without a CRS/RECO. However, the SRO may issue one-time delegations to a RECO to provide interdepartmental assistance to another Program Office or location.

Status of Current Certified Realty Specialists

The changes to the certification program are not designed to remove or limit any existing authority within DOE to execute realty actions. All current DOE employees in the GS-1170 series with a CRS certification will be issued a RECO warrant appropriate to his or her current certification level and organizational need for real estate contracting authority. For new DOE employees in the GS-1170 series, the requirement to achieve their CRS certification will remain in place and once the certification is obtained their respective Program Office may request the employee to be appointed as a RECO based on an organizational need for signature authority. Note that an individual's CRS level must be equal to or greater than his or her RECO warrant level. Much like contracts for service and supplies, real estate contracts may be entered into and signed on behalf of the Government only by contracting officers. In some agencies, a relatively small number of high level officials are designated contracting officers solely by virtue of their positions or have limited delegated authority, such as in the case of DOE Site Managers. The authority of DOE personnel who are not Realty Specialists, but who have delegations to execute real estate actions, will not be affected by the proposed changes. Likewise, delegations of real estate authority through various Program Offices will be unaffected. A current list of certified realty specialists is attached for your reference.

Questions related to the Real Estate Certification Program may be addressed to David Steinau at (202)287-1503 or david.steinau@hq.doe.gov.

Attachments

DOE CERTIFIED REAL ESTATE PERSONNEL

July 1, 2013

Name	Program/Site	Certified Realty Specialist (CRS)	Real Estate Contracting Officer (RECO) Warrant
Adams, Mike	NE-ID	Yes	Level I
Baber, Tracye	ORO	Yes	Level II
Dooley, Roger	SC-CH	Yes	level III
Elsen, Mike	RL	Yes	Level I
Hathaway, Boyd	RL	Yes	Level III
Finn, Cindy	ORO	Yes	Level III
Kelly, Larry	EM-CBC	Yes	Level II
Kilpatrick, Laura	LM	Yes	Level III
Price, Mark	HQ	Yes	Level III
Reardon, Matt	EM-CBC	Yes	Level I
Sokolovich, Bud	EM-CBC	Yes	Level III
Steinau, David	HQ	Yes	Level III
Troche, Laura	SC-CH	Yes	Level I
Vanek, Tim	LM	Yes	Level I
Williams, Jerome	FE-SPRO	Yes	Level II
Power Marketing Administrations			
Love, Mike	SWPA	Yes	Level II
Van Horn, Cris	SWPA	Yes	Level I
Webber, Steve	WAPA	Yes	Level III
NNSA			
Altamirano, Joelle	NNSA	Yes	*warranted by NNSA*
Cooper, Jane	NNSA	Yes	*warranted by NNSA*

HCA Distribution List

Carol Battershell- GFO
Mark Brady- MA-64
Anthony Cugini-NETL
William Gibson- FE-44
Steven Jones- SC-32
Kenneth Legg-SEPA
Joseph McBrearty-SC-3
Anthony Montoya-WAPA
Richard Provencher-NE-ID
Berta Schreiber-MA-61
Stephanie Short-SC-3
Barbara Stearrett-APM-13
Jack Surash-EM-50
Cris VanHorn- SW

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Joseph McBrearty- Office of the Deputy Director for Field Operations,SC
Susan Beard- GC

DOE Certified Real Estate Personnel

Mike Adams- NE-ID
Tracye Baber- ORO
Roger Dooley- SC-CH
Mike Elsen- RL
Boyd Hathaway- RL
Cindy Finn- ORO
Larry Kelly- EM-CBC
Laura Kilpatrick- LM
Mark Price- HQ
Matt Reardon- EM-CBC
Bud Sokolovich- EM-CBC
David Steinau- HQ
Laura Troche- SC-CH
Tim Vanek- LM
Jerome Williams- FE-SPRO

Power Marketing Administrations

Mike Love- SWPA
Cris VanHorn- SWPA
Steve Webber- WAPA

NNSA

Joelle Altamirano
Jane Copper