



ADMINISTRATIVE COMMUNICATIONS SYSTEM U.S. DEPARTMENT OF EDUCATION

DEPARTMENTAL DIRECTIVE

OM: 1-103

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Distribution:
All Department of Education
Employees

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Principal Deputy Assistant
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Delegated the Authority to Perform
the Functions and Duties of the
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Organization Control System

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Supersedes OM: 1-103, Organization Control System, dated 08/08/2005. For technical questions regarding this directive, please contact Bruce Monblatt, at bruce.monblatt@ed.gov.

I. Purpose

This directive provides the policy, procedures, and general guidance for the preparation, coordination, review, approval and implementation of the organization structures, and changes in such structures within Headquarters and Regions.

II. Policy

It is the policy of the U.S. Department of Education (Department) to have the organization structures for all new components, and changes in existing units, centrally reviewed and approved prior to implementation.

III. Authorization

Reorganization authority is established in Section 413 of the Department of Education Organization Act (P.L. 96-88, as amended, 20 U.S.C. 3473).

IV. Applicability

- A. This directive applies to organizational changes in which a reorganization involves the planned elimination, addition, or redistribution of functions.
- B. This directive does not apply to the organizational changes listed in Title V, Section 351, of the Code of Federal Regulations where employees may be released from their competitive level by separation, demotion, furlough for more than 30 days, or reassignment requiring displacement, when the release is required because of lack of work, shortage of funds, reclassification due to change in duties, or the exercise of reemployment rights or restoration rights.

V. Responsibilities

A. The Secretary

Notifies the Congress of the alteration, consolidation, or discontinuance of any organization cited in Section 413(b)(2) of the Department of Education Organization Act, as amended, and any reallocation of functions vested by statute in any of these organizations.

B. Principal Officers (Assistant Secretaries or Equivalent)

1. Prepare and present to the Executive Office, Office of Management (OM), proposed new organizational structures for which they are functionally responsible.

2. Ensure that their reorganization plans are designed for the most effective and economical performance of their missions in accordance with applicable law, Administration requirements, and Secretarial priorities.
3. Determine the effect of added, eliminated, or revised functions on potential full time equivalent (FTE) usage and indicate steps that will be taken to ensure that the office will operate within its FTE ceiling.

C. Executive Office, OM

1. Provides technical assistance to Principal Officers and their staffs on reorganization matters.
2. Reviews all reorganization proposals and approves those that are consistent with applicable law and this directive.
3. Reviews all changes in organization titles and approves those that are consistent with applicable law.
4. Monitors the implementation of reorganizations, including conducting organization reviews on a periodic basis.
5. Maintains organization and delegation control files, and controls the organizational coding system.
6. Coordinates all efforts between all necessary parties from submission of proposal through implementation including obtaining the participation of the organizations listed in V.D. through V.I.

D. Human Capital and Client Services, OM

1. Provides technical assistance, throughout the development and implementation stages, on the personnel impact of reorganization changes including personnel and position management and staffing implications.
2. Provides classification and staffing services to reorganized units.

E. Equal Employment Opportunity Services, OM

Provides guidance to reorganizing offices on the impact of the reorganization on minorities, women and handicapped employees, and the development of diversified employee profiles.

F. Budget Service, Office of Planning, Evaluation and Policy Development (OPEPD)

1. Provides guidance to reorganizing offices in the area of FTE allocations and budget levels.
2. Identifies potential changes to the Department's accounting structure.
3. Requests changes to the organization/accounting crosswalk table, if necessary.

G. Office of the General Counsel

Provides opinions with respect to legal implications of proposed organizational changes.

H. Employee and Labor Relations Branch, Human Capital and Client Services, OM

Provides assistance in meeting obligations to labor organizations, as required by law, executive orders, partnership agreements, and collective bargaining agreements.

I. Learning and Development Division, Human Capital and Client Services, OM

Provides advice and assistance on training and organizational development needed to provide employees with the skills, knowledge, and abilities to perform their roles effectively under the proposed organizational arrangement.

VI. Organizational Process

The Department's guidelines for the reorganization process are attached.

Attachment

The Principal Officer should develop the basic conceptual framework for the new structure. Although the structure is frequently mandated by statute, there is often a great deal of latitude to determine the appropriate organization design.

DEVELOPMENT STAGE

The Principal Officer should designate a team to work on the reorganization. It is recommended that the team members be a representative group of employees and not just higher-level management. The Union should be asked to participate in the reorganization process at the beginning. Although Union participation is not specifically required, Section 10.03 of the Collective Bargaining Agreement specifies that the Union can negotiate issues relating to the reorganization after administrative approvals are obtained. Early Union involvement could minimize difficulties in the negotiation process.

1. Once the team is assembled but before it begins its work, it should meet with reorganization staff of the OM Executive Office who can assist the reorganizing offices by:
 - a. Discussing recent restructuring experiences of other offices and answer questions related to reorganizing;
 - b. Explaining the various Federal and Department initiatives (span of control, delayering, work teams, etc.) that should be considered in developing the reorganization;
 - c. Arranging for the collaboration of other Department offices which participate in the reorganization process including OM Human Capital and Client Services, the OM Equal Employment Opportunity Services, the OM Employee and Labor Relations Branch, the Office of the General Counsel, and the OPEPD Budget Service;
 - d. Arranging any continuing services to be provided by the OM Executive Office reorganization staff including serving as members and resources for the reorganizing office's work teams;
 - e. Developing a customized work plan and schedule to meet the Principal Office's projected completion dates including obtaining agreements from Departmental participating offices as to the extent of their involvement and the timeframes necessary to complete their responsibilities; and
 - f. Arranging for the necessary reorganization team training.
2. The reorganizing Principal Office is encouraged to meet with other Principal Offices within the Department and with external customers to surface issues that may be relevant to the reorganization process. The feedback helps to assure

that the reorganizing office and its customers have the same perception of the Principal Office's functions and services.

3. The reorganizing office is encouraged to hold meetings with internal staff and Union representatives to elicit concerns and recommendations and to forge consensus for organizational change.
4. The reorganization team, with assistance from Departmental offices, prepares draft organizational charts and back-up narrative material to be presented to the Principal Officer for discussion and decision. The materials should focus upon the benefits to be derived from the reorganization in terms of:
 - a. Improving the Principal Office's operations and citizen-centered services;
 - b. Meeting the priorities of the Secretary and the Administration to:
 - (1) adhere to the Department's and Principal Office's strategic plans;
 - (2) decrease the number of organizational layers;
 - (3) expand the supervisor to employee ratio;
 - (4) achieve the FTE levels reflected in the Department's streamlining plan; and
 - (5) empower, diversify, and effectively use personnel.
5. After the Principal Officer approves the concept, the OM Executive Office reorganization staff, in coordination with participating offices, will assist the reorganizing team in the preparation of the necessary materials for the formal reorganization package. These are:
 - a. A transmittal memorandum signed by the Principal Officer describing the background of the reorganization, the reasons for it, the specific improvements expected, and the elements of Administration priorities that the reorganization addresses;
 - b. Proposed organizational chart(s) for the reorganized units;
 - c. Proposed functional statements for the affected units;
 - d. Current and proposed staffing patterns. The proposed pattern will also show Bargaining Unit employees;
 - e. Any known changes to promotion potential for bargaining unit employee positions; and
 - f. Proposed delegations of authority, if needed.

CLEARANCE AND APPROVAL STAGE

1. Once the above information is submitted and OM Executive Office reviews the package to assure that all prior concerns have been addressed, that the reorganization is consistent with applicable law and this directive, and that there are no changes from what was previously agreed, the package is then sent to clearance offices, listed in Section V. D. to H. above, for formal clearance. Once cleared, the Executive Office Director will approve the reorganization, designate the new organization codes, and transmit copies of the approved package to the clearance offices. The OM Executive Office reorganization staff will coordinate all materials sent to offices that must act in order to ensure expeditious implementation of the reorganization. At this time, staffing patterns, a list of officially classified position descriptions, a list of pending classification actions, and other documents must be provided to enable participating offices to perform their duties, and to meet the requirements of the Collective Bargaining Agreement. When this material is ready, the Employee and Labor Relations Branch will arrange for appropriate formal notification to the Union.
2. The Collective Bargaining Agreement (CBA) imposes certain obligations upon the agency to provide specified information to the Union. Although partnership agreements and practices will obviously smooth the reorganization process, CBA requirements must still be met, and remaining Union concerns must be addressed either through partnership or negotiations, normally prior to the implementation of the reorganization.
3. OM Executive Office reorganization staff will monitor progress against the work plan agreed to at the beginning of the process.