

**WORKING CAPITAL FUND BOARD
MINUTES OF THE MEETING
April 10, 2002**

(1) Introduction

The Board Chair, Howard Borgstrom, called the meeting to order. Howard introduced Maria Mikitka from OMB and Dianne Cane, our new support contractor employee, to the Board. He discussed the need for pricing policy review at this meeting to facilitate FY 2004 WCF budget estimates.

(2) Approval of Minutes, February 27, 2002 Meeting

The Board approved the minutes of February 27, 2002 WCF Board meeting without objection.

(3) Competitive Sourcing Services

Secretary Abraham has determined that the costs for competitive sourcing studies should be borne by all DOE organizations. (See the Secretary's memo to Heads of Departmental Elements signed March 21, 2002) He has authorized the CFO to arrange for an allocation of up to \$5.4 million from all DOE organizations based on Federal staffing levels. The WCF Board informally accepted the idea of financing the \$5.4 million outside the Fund, and Board members expect a memorandum from ME requesting the identification of funds that could be reserved and subsequently obligated for this purpose.

The Board asked that consideration be given to incremental funding on the contracts, possibly preserving a portion of the funding for their use later in the FY. The Chair explained that ME recognized that \$5.4 million would create constraints for them and that he would look for ways to mitigate the burden. He noted; however, that in the near term, program organizations should expect to reserve the entire amount.

(4) Pricing Proposal Mail Business Line

Mary Anderson addressed the Board concerning the need to increase revenue to the Mail business line beginning in FY 2002 for costs related to mail security (\$150,000). The Board approved the additional billing beginning in next month's bill and continuing through FY 2004.

(5) Pricing Proposal Building Occupancy Business Line

Beginning FY 2004, the GSA is changing its billing to the DOE for federally owned buildings by charging a lower rent fee and eliminating the credit applied to fund building delegations. This will result in an increase in rents across the board

for DOE buildings; the most significant increase is at Germantown at 36.9%. In addition to the rent increase, the business line proposes adding the contractual cost of servicing the warehouse (\$700 thousand) to the fund. The Board adopted adding the warehouse for a gross budget of \$62,340,000. As central costs are shifted from Departmental Administration budgets, the Chair will work with the Budget Office to adjust program direction targets to compensate for these cost increases and to help programs justify their budgets based on these new developments.

(6) Pricing Proposal for Information Technology Business Lines

The Desktop business requires a \$150,000 increase in infrastructure billing beginning in FY 2002 through FY 2004 to finance increased virus protection and applix. The Board approved the increase for infrastructure billing for virus protection and applix, \$25,000/month for the balance of FY 2002, in addition to the change over from allocating infrastructure costs based on the number of workstations in PAMS to the number of LAN connections (as in Network infrastructure). The Board also asked the CIO to begin recording actual usage charges for decontamination, software support, adaptive support, and applix for future review by a working group as potential user fees in anticipation of FY 2003 billing.

The Telephone and Network businesses proposed increasing budgets in FY 2004 by 3% to support labor cost increases and to cover technology refresh. For the purposes of FY 2004 budget estimates, the estimates will indicate a 3% increase as a placeholder, subject to future approval of the Board. The CIO has been asked to prepare an impact paper describing the impacts if budgets are held flat. The Board asked the Board Secretary to circulate the paper to the Board and consolidate the subsequent responses for further consideration.

(7) The Board voted to adjourn.

Representing the Board:

ME Howard Borgstrom
FE Chuck Roy
EI Steve Durbin
SO Rosalie Jordan
NA Roger Lewis
CIO Gordon Errington

SC John Rodney Clark
EM Barbara Male
NE Wade Carroll
OA Lesley Gasperow
PI Jon Mathis

ATTENDEES:

Maria Mikitka – OMB
Ann Warnick - IM
Richard Minning - IM
Coreen Leonard - IM
Laura Brown – PA/CI
Barry Schrum – IG
Kent Hibben – HG
Camille Jagessar – PI
Maria Northington – PA/CI
Lang Soo Hoo – NE
Michelle Livingston - PML
Dick Levan - RW
Jeanne Beard – IM
Penny Gardner - IM
Dee Barnes – IM
Bill Marlow – BPA
Roger Seifert – BPA
Ron Shores – IM
Tim Fox – SO
Diane Friis - SO

ME

Roscoe Harris
John Harrison
Willie Mae Ingram
Tony Nellums
Enid Levine
Michael Fraser
Jeffrey Rubenstein
Kathryn Schanck
George Tengan
Bob Emond
Dianne Cane
David Melander
Dallas Woodruff
Louis D'Angelo
Denise Diggin
Terry Butler
Laurie Morman
Brian Costlow
Deborah Black
Mary Anderson
Jayne Ross
Adrienne Moss
Joann Luczak
Sandra Jackson
Shirley Woodruff
Al Majors
Michael Shincovich
Doug Bielan
Steven Apicella