



United States  
Department of  
Agriculture

Human Resources  
Management

DR 1010-1

## **ORGANIZATION**

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<b>DEPARTMENTAL REGULATION</b>		NUMBER: 1010-1
SUBJECT: ORGANIZATION	DATE: June 11, 2003	
	OPI: Office of Human Resources Management	

### **1 PURPOSE**

This regulation establishes policies and procedures to be followed when making major organizational changes in the Department.

### **2 SPECIAL INSTRUCTIONS/CANCELLATIONS**

- a Departmental Regulation (DR) 1010-001, dated July 3, 1996, is hereby superceded.
- b The principal changes to the DR 1010-001, dated July 3, 1996 are:
  - (1) Definitions and responsibilities have been clarified; and
  - (2) Appendix A, Civil Rights Impact Analysis, has been deleted. Agencies/Departmental offices will follow requirements and procedures contained in DR-4300-4, Civil Rights Impact Analysis, concerning the completion of civil rights impact analyses and evaluations in conjunction with organizational changes within their jurisdictions.

### **3 AUTHORITY**

This regulation is published in accordance with the following authorities:

- a Vested in the Secretary of Agriculture under 5 U.S.C. 301 and Reorganization Plan No. 2 of 1953 (7 U.S.C. Section 2201).
- b Redelegated to the Assistant Secretary for Administration under 7 C.F.R. 2.24 and further redelegated to the Director, Office of Human Resources Management (OHRM) under 7 C.F.R. 2.92 (a)(13).

- c DR 4300-4, Civil Rights Impact Analysis.

#### **4 POLICY**

The following principles govern organizational design within the Department. Organizational structures should be designed to:

- a Establish business practices to provide the highest level of customer service at the lowest possible cost;
- b Reduce overhead expenses. Reorganizations should reduce administrative costs by encouraging the use of facility collocation, shared office space, and consolidated support services, and by consolidating support functions into administrative centers whenever possible;
- c Eliminate unnecessary supervisory positions and organizational levels;
- d When appropriate, flatten existing organizational structures and empower employees engaged in providing direct service to the customer;
- e To the extent possible, protect workforce diversity gains, ensure employment opportunity, and ensure access to USDA programs.

#### **5 DEFINITIONS**

- a Administrator. Head of a program agency within the Department. The actual title may be different (e.g., Chief of the Forest Service) but the term administrator will be used in this DR.
- b Administrative. A term that is used to designate “non-agricultural or food” program functions.
- c Agency. For purposes of this DR, agency means a major program organizational unit of the Department with delegated authorities to deliver agricultural or food programs, activities, benefits and services. Heads of agencies report to and receive their delegated authorities from Under or Assistant Secretaries as prescribed in 7 C.F.R. The term “agency” does not include Departmental Administration or the Departmental staff offices.
- d Branch. An organizational component that reports to a division or equivalent.
- e Department. Department means the U.S. Department of Agriculture or USDA.

- f Departmental Administration. The Assistant Secretary for Administration and all staff offices that receive their major delegations from the Assistant Secretary for Administration.
- g Departmental Office. See Staff Office.
- h Division. A major functional component within an agency or staff office. A division, for purposes of this DR, is a unit that reports to the agency administrator or staff office head, or to a level equivalent to an associate or deputy administrator or staff office head.
- i General Officer. A USDA official as defined in 7 C.F.R. 2.4. General officers include the Deputy Secretary, the Under and Assistant Secretaries and certain staff office heads.
- j Head. Agency administrator or staff office director, or the person acting in such a capacity.
- k Mission area. A term used within USDA to denote one or more program agencies that report to an Under Secretary.
- l Program. Functions primarily concerned with the delivery of food or agricultural services.
- m Staff Office. A Staff Office or Departmental Office is a Departmental administrative (non-program) office the head of which is a general officer or reports to an official within the Office of the Secretary and receives delegated authority under 7 C.F.R.
- n Unit. Any organizational component.

## **6 ACTIONS REQUIRING DEPARTMENTAL APPROVAL OR NOTIFICATION**

This regulation prescribes procedures for Departmental review and approval of major organizational changes. Major organizational changes require the approval of the Assistant Secretary for Administration. Other actions, which are of less organizational impact, require only notification of OHRM to ensure that Departmental records are current. Listed below are the actions that require approval or notification.

- a Actions Requiring Approval. The Assistant Secretary for Administration must approve major organizational changes under procedures prescribed in this regulation before the changes may be made effective. In cases where the Assistant Secretary for Administration is the requesting official, the Deputy

Secretary or Secretary will approve the action. Major organizational changes include the following:

- (1) Establishment, abolishment, or transfer of an agency or Departmental office.
  - (2) Establishment, abolishment, or transfer of:
    - (a) A headquarters unit, down to and including the division level, with the exception of those transfers included in section 6b; and
    - (b) A headquarters or field unit that reports directly to an administrator or to the head of a Departmental office.
  - (3) Abolishment of a field unit or transfer of a field unit to another congressional district.
- b Actions Requiring Notification. To ensure that USDA organizational records are current, certain actions that do not meet the requirements of section 6a will nonetheless require written notification to the OHRM within 30 days following the effective date of the change. Changes requiring notification are:
- (1) Name changes of divisions or other units reporting to the lowest level administrator of any agency, or to the head of a Departmental office.
  - (2) Realignment of reporting lines of divisions or higher units among officials in an agency or Departmental Office.

## **7 PLANNING PHASE**

Organizations should adequately plan before beginning actual work on a proposal for Departmental approval. Civil rights directors should be part of the mission area or agency planning process. Labor representatives should be included in the planning phase as appropriate to agency procedures and bargaining agreements. Before an organizational proposal is submitted to the Department the following measures should be taken:

- a Establishment, Abolishment or Transfer of an Agency or Departmental Office. Before any work is begun to submit a proposal under Section 9, to establish, abolish or transfer an agency or Departmental office, the requesting office must obtain a written preliminary approval for the action from the Secretary. A decision memorandum to the Secretary or other equivalent mechanism should be used for this preliminary approval. The decision memorandum should include as much specific information as is known, such as number of staff involved, any geographical relocations that may result, and possible civil rights or labor concerns associated with the action proposed. This

preliminary approval is prior to the submission of the reorganization proposal and does not have any effect on the location of the functions or on the structure of the impacted units.

- b Appropriate notification or consultation with any union representing employees in the affected units. Pursuant to the Federal Service Labor-Management Relations Act (FSLMRA) (5 U.S.C. 7701, et seq.) and applicable collective bargaining agreements, notification or consultation should be initiated after this preliminary approval.
- c Notification of Congressional Staffs. Appropriations language may require agencies to notify congressional staffs of certain intended organizational changes. Requesting offices should consult with the Office of Congressional Relations and the Office of Budget and Program Analysis regarding procedures for such notifications.
- d Civil Rights Impact(s). Civil rights directors will provide leadership and technical expertise in developing the civil rights impact analysis and statements. A civil rights impact analysis must accompany reorganization proposals requiring Departmental approval. Civil rights impact analyses must be prepared in accordance with DR 4300-4, Civil Rights Impact Analysis, and any other guidance issued by the USDA Office of Civil Rights.

## **8 RESPONSIBILITIES**

- a Requesting mission area, agency, or Departmental office will:
  - (1) Consult with union bargaining units as appropriate.
  - (2) Consult with the Office of Congressional Relations and the Office of Budget and Program Analysis, as required, to notify members of Congress and appropriate subcommittees of organizational changes or unit closings.
  - (3) Consult with the agency civil rights director on the civil rights implications, possible adverse impacts, and remedies for eliminating or alleviating adverse impacts associated with the proposed action in the planning phase. The agency civil rights director should seek assistance from the USDA Office of Civil Rights, if necessary.
  - (4) Submit documentation as required under Section 9.
- b OHRM will:
  - (1) Provide organizational consultation, advice and assistance.

- (2) Review proposals for completeness and adequacy of documentation.
- (3) Coordinate review of proposals by reviewing officials as listed in section 8(d). Such review may include convening special review panels or other procedures. An AD-116, Clearance and Approval for Departmental Issuances form may be used to document clearances and comments. All clearances and comments must be in writing.
- (4) Prepare an analysis of proposals based on comments received, and forward recommendations to the Assistant Secretary for Administration.
- (5) Update Departmental records and maintain official organizational charts and supporting documentation.
- (6) Ensure that the Office of Communications receives copies of updated organization charts for their information and for inclusion on the USDA Internet site.
- (7) Obtain two-digit agency codes as required from the Office of Personnel Management and notify the National Finance Center of these codes.

c USDA Office of Civil Rights will:

- (1) Consult, advise, and assist on civil rights impact analyses and in evaluating the civil rights impact(s) of proposed actions.
- (2) Provide guidance on the procedures that the mission area or agency will use to prepare the written civil rights impact analysis, and where needed, action plans to eliminate or alleviate adverse civil rights impacts.
- (3) Review, when applicable, the civil rights impact analysis, proposed remedies, and accompanying action plan for completeness and adequacy of documentation.
- (4) Prepare, as requested by the Secretary or by the head of a Departmental office, civil rights impact analyses and evaluations of reorganization proposals initiated within the Office of the Secretary, Departmental Administration, or Departmental offices.

d Reviewing Official or Office:

The following shall review proposals and provide consultation and advice to the requesting organization as needed:

- (1) Departmental Administration (DA) offices. Within DA, the following offices should review all proposals:



- (a) OHRM;
    - (b) Office of Property and Procurement Management; and
    - (c) Office of Operations;
  - (2) Office of Civil Rights;
  - (3) Office of the General Counsel;
  - (4) Office of the Chief Information Officer;
  - (5) Office of the Chief Financial Officer;
  - (6) Office of Budget and Program Analysis; and
  - (7) Other organizations as determined by OHRM.
- e The Assistant Secretary for Administration will:
- (1) Evaluate and authorize organizational changes requiring approval under this regulation.
  - (2) Sign the official organization chart except for organizational proposals for Departmental Administration, which will require approval of the Secretary or Deputy Secretary.
- f The Secretary will:
- (1) Pursuant to section 7a, make preliminary approval of the establishment, abolition, or transfer of a new agency or Departmental office prior to submission of an organization proposal under this regulation.
  - (2) Pursuant to section 6a, approve organizational proposals where the Assistant Secretary for Administration is the requesting official. The Deputy Secretary is delegated this approval authority.

## **9 SUBMISSION OF PROPOSALS**

- a Actions requiring approval. For actions requiring approval as outlined in section 6a of this regulation, all proposals will include an original and nine copies of the following to be sent to OHRM:
- (1) A brief narrative statement covering;

- (a) Changes proposed and the rationale for the changes:
  - (b) Anticipated changes to the agency=s budget, including cost increases, cost savings, and sources of funding;
  - (c) One-time costs associated with the proposal, including relocation costs, severance pay, buy-outs, retraining, outplacement services, and lease termination costs; and
  - (d) Information concerning congressional contacts made, as warranted.
- (2) An organization chart with the original signature of the agency head and the mission area Under Secretary or Departmental office head. (See Appendix A for a sample organization chart format.)
  - (3) Revised functional statements for all impacted units down to and including the division level. (See Appendix B.)
  - (4) Draft revised delegations of authority (7 C.F.R. Part 2), for later publication in the Federal register, when warranted.
  - (5) A summary table of proposed changes in positions and/or funding for all organizational units affected by the reorganization proposal. (See Appendix C.)
  - (6) A signed certification statement regarding the findings from the civil rights impact analysis and the written concurrence of the USDA Office of Civil Rights. (See DR4300-4.)
  - (7) A signed certification statement evidencing that appropriate negotiation or consultation with any union representing employees in the effected units has been completed as required by the FSLMRA.
  - (8) Changes required to the Continuity of Operation Plan.
  - (9) A signed Incidental Transfer Agreement (ITA). (See section 9c and Appendix D).
- b Actions requiring notification. For actions requiring notification as outlined in section 6, the following information must be sent to OHRM to ensure that records are updated:
- (1) A narrative statement describing changes to be made;

- (2) An organization chart with the original signature of the agency head and the mission area Under Secretary or Departmental office head. (See Appendix A for a sample of the organization chart format.); and
  - (3) Revised functional statements for all impacted units down to and including the division level. (See Appendix B.)
- c Actions requiring Incidental Transfer Agreements (ITAs). ITAs are only required when functions are transferring between two USDA agencies or Departmental Offices. The ITAs will provide information on personnel, funds, property, space and records that are affected by the transfers. See Appendix D. ITAs are prepared by the agency “losing” the function. When an organization proposal requires both a clearance under this regulation and an ITA, the ITA should accompany the reorganization proposal. ITAs must be approved in the following order listed:
- (1) Head of each agency or Departmental office involved;
  - (2) Under or Assistant Secretary of each organization involved;
  - (3) Director, Office of Procurement and Property Management;
  - (4) Director, Office of Operations;
  - (5) Director, OHRM;
  - (6) Chief Financial Officer;
  - (7) Chief Information Officer;
  - (8) General Counsel;
  - (9) Director, Office of Budget and Program Analysis;
  - (10) Assistant Secretary for Administration

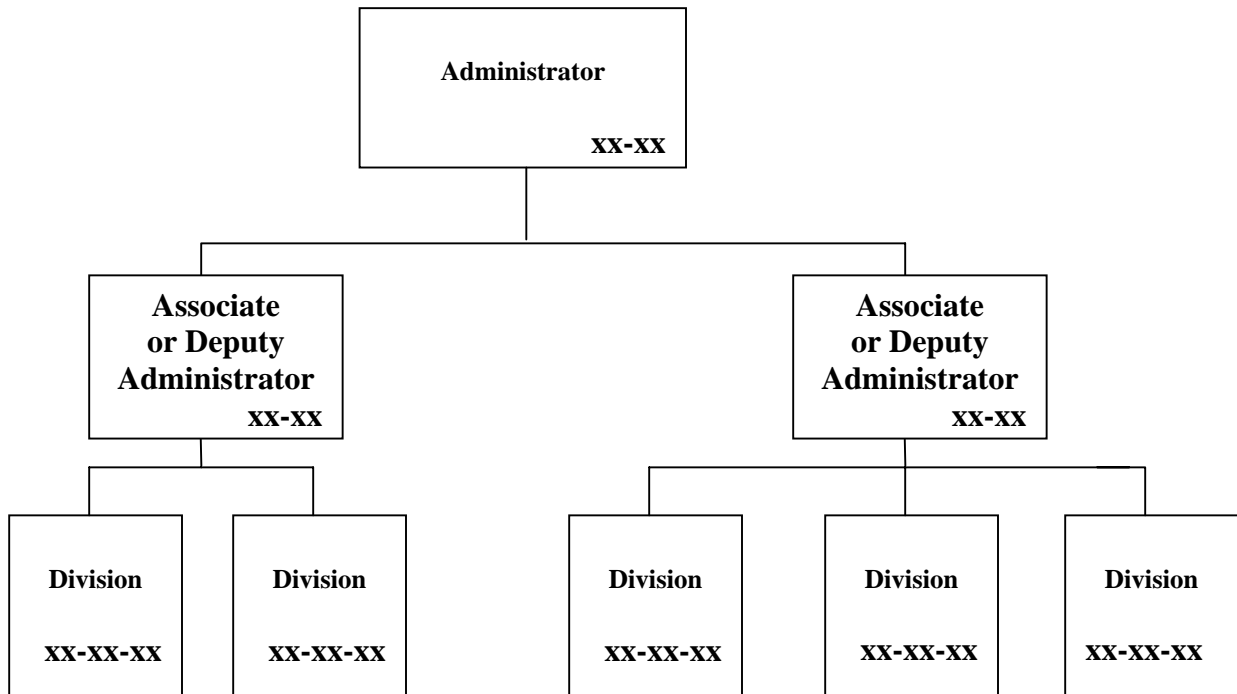
**APPENDIX A**

**SAMPLE ORGANIZATION CHART**

(see instructions on next page)

United States Department of Agriculture  
AGENCY NAME

Recommended: /s/ (Agency Head)  
Concurred: /s/ Under Secretary  
Approved: /s/ Assistant Secretary for  
Administration  
Date: April 21, 2000



Agency mission statement:

Supercedes chart dated June 20, 1998.

**APPENDIX A (continued)**  
**INSTRUCTIONS FOR PREPARING THE ORGANIZATION CHART**

1. Include agency name on top left-hand corner of the chart immediately under "United States Department of Agriculture".
2. Include three signature lines on the top right-hand corner of the chart for agencies that report to Under or Assistant Secretaries. The first signature line will be the "Recommended" line which will be signed by the agency or office head requesting the reorganization. The second signature line will be the "Concurred" line which will be signed by the Under or Assistant Secretary. The third signature line will be the "approved" line which will be signed by the Assistant Secretary for Administration. The date that the reorganization is approved will be inserted on the "Date" line by the Assistant Secretary for Administration.
3. Organizational codes will be included in the lower right-hand corner of each block appearing on the chart. New agency codes will be issued by OHRM. Existing agencies undergoing reorganizations will continue to use their designated agency codes. Codes below the agency level will be determined by the agency.
4. The agency mission statement will be included at the bottom of the chart.
5. The date of the last approved organization chart, which will be superceded by the current organization chart, will be included at the bottom of the new chart.

**APPENDIX B**

**FUNCTIONAL STATEMENT**

(SAMPLE) (see instructions on next page)

**UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL HEALTH SERVICE**

1

15 01 Office of the Administrator

2

3

A. Assignments of Functions.

1. Provide inexpensive farm insurance to low-income rural families. (8 U.S.C.1601 et seq.).
2. Administer, in cooperation with State and local governments, a program of loans, grants, and subsidies for doctors and medical facilities located in rural communities. (9 U.S.C. 1407-11).
3. Administer, in cooperation with State governments, a program of matching funds to promote health education in rural schools. (9. U.S.C. 1412-29).
4. Administer, in cooperation with selected State governments, grants for the purpose of providing health education to economically and educationally disadvantaged adults in rural communities. (9 U.S.C. 1430-49).
5. Evaluate agency program operations under the Acts and prepare annual report of operations.

4

B. Availability of Information. Information concerning Rural Health Service (RHS) programs may be obtained from RHS Regional Offices or from the Administrator, Rural Health Service, U.S. Department of Agriculture, Washington, DC 20250.

5

C. Regulations. Regulations governing RHS programs may be found in Title 8, Code of Federal Regulations, Parts 101 through 139; and Title 9, Code of Federal Regulations, Parts 401 through 404 and 406 through 413.

6

D. Historical Documents. For creation of, and major changes in, the organization and mission of the Rural Health Service, see:

1. Rural Community Health Act of 1991 (9 U.S.C. 1401 et. seq.).
2. Secretary's Memorandum No. 1020-3 dated March 15, 1994.

## APPENDIX B (continued)

## INSTRUCTIONS FOR PREPARING FUNCTIONAL STATEMENTS

- 1 Name of agency or Departmental office.
- 2 Agency code and appropriate unit code for each unit for which functional statements are prepared.
- 3 Assignment of Functions. Include this heading for every unit, down to and including the division level. The purpose of the information appearing under this heading is to provide a succinct description of the work for which the unit is responsible. This purpose should guide decisions concerning the structure detail, and wording used in describing assignments of functions. Functional assignments to agencies will be consistent with the delegation in 7 CFR Part 2. Cite any CFR reference for each function, law or other authority under which the activity is conducted. Legal citations are required only for the narrative statement for the office of an agency head. They are optional, although recommended, for organizational levels below that of the agency head.
- 4 Availability of Information. If the unit maintains information of public interest, describe a means of contacting the unit under this heading. If the unit is an agency and has rules published pursuant to the Freedom of Information Act (5 U.S.C. 552), cite these rules. This heading is optional below the agency level.
- 5 Regulations. If units have published regulations in the Code of Federal Regulations regarding governing programs of public interest, cite these regulations under this heading. This heading is optional below the agency level.
- 6 Historical Documents. Under this heading cite the laws, Executive Orders, Secretary's Memoranda, or Code of Federal Regulations that (a) established the unit and delegated the functional authority to the agency head; and (b) resulted in major organizational or functional changes in the unit. A description of documents with an introductory sentence is sufficient. This heading is optional below the agency level.

**APPENDIX C****SUMMARY OF CHANGES**

(see instructions on next page)

**1 RURAL HEALTH SERVICE**

Pay Plan and Grade <b>2</b>	Current FTEs <b>3</b>	Proposed FTEs <b>4</b>	Difference FTEs <b>5</b>
ES	2	2	0
GS-15	2	2	0
GS-14	4	2	-2
Other (GS-13 and below)	33	31	-2
TOTAL <sup>1</sup>	41	37	-4
Annual Costs <b>6</b>			
Salaries and Benefits	\$1,202,000	\$1,066,000	-\$136,000
Other	244,000	214,000	-30,000
TOTAL	\$1,446,000	\$1,280,000	-166,000
Supervisory/Employee Ratio <b>7</b>			
	1:7.5	1:6.5	

<sup>1</sup> These numbers should equal the actual staff years before and after the proposed reorganization. Assume that all Senior Executive Service and Senior Level positions are filled when completing FTE information.



**APPENDIX C (continued)**  
**INSTRUCTIONS FOR SUMMARY OF CHANGES**

Summary of changes should include:

- ① Name of agency or Departmental office.
- ② List by pay plan and grade, for all units identified.
- ③ Summary of current full time equivalent (FTE) staff years for all units identified.
- ④ Summary of proposed FTEs for all units identified.
- ⑤ Difference between proposed and current FTEs.
- ⑥ Summary of current annual costs, proposed annual costs, and difference between current and proposed annual costs FOR THE CURRENT FISCAL YEAR. Costs shall be broken down by "Salary and Benefits" and "Other". "Other" includes travel, supplies, and equipment costs related to the identified FTEs. A reduction in FTEs and salary and benefit costs usually results in a reduction in "Other" costs.
- ⑦ Current Supervisory to Employee Ratio and proposed Supervisory to Employee Ratio.

**APPENDIX D  
INCIDENTAL TRANSFER AGREEMENTS**

The Incidental Transfer Agreement (ITA) should contain all the information necessary to identify the functions, employees, funding, property, space, and records that are being transferred. The ITA should contain the following attachments and information:

**ATTACHMENT 1 - FUNCTIONS**

This attachment should identify all the functions to be transferred.

**ATTACHMENT 2- STAFF YEAR CEILINGS AND PERSONNEL**

The employment ceiling portion of this attachment should identify the full-time equivalents to be transferred for the current fiscal year and any other years for which a ceiling has been assigned. Senior Executive and Schedule C FTEs should be listed separately.

The personnel portion of this attachment should list the employees to be transferred by name, title, grade, and type of position.

**ATTACHMENT 3- FUNDING**

This attachment should identify all funds to be transferred for the balance of the fiscal year and for any future fiscal years for which funds have already been requested.

**ATTACHMENT 4- PROPERTY, SPACE, AND RECORDS**

This attachment should identify all records, personal property, and space assignments to be transferred. Preparing agency can either itemize all items to be transferred or specify that all items associated with the functions are being transferred.

**ATTACHMENT 5- REGULATION AND DELEGATIONS**

This attachment should acknowledge any regulations or delegations of authority to be transferred.

**APPENDIX E:  
DOCUMENTATION CHECKLIST**

<b>Documentation Required</b>	<b>For actions requiring approval</b>	<b>For actions requiring OHRM notification only</b>
Brief narrative (See Section 9 a) covering:		
▪ Changes proposed and rationale;	<b>X</b>	<b>X</b>
▪ Anticipated changes to the agency ' s budget including cost increases, cost savings and sources of funding.	<b>X</b>	
▪ One-time costs associated with the proposal including relocation costs, severance pay, buy-outs, retraining, outplacement services, and lease termination costs.	<b>X</b>	
▪ Information concerning congressional contacts made, as warranted.	<b>X</b>	
An organization chart with the original signature of the agency head and the mission area Under Secretary or the Departmental office head. (See Appendix A for a sample of the organization chart format.)	<b>X</b>	<b>X</b>
Revised functional statements for all impacted units, down to and including the division level. (See Appendix B.)	<b>X</b>	<b>X</b>
Revised delegations of authority (7 C.F.R. Part 2), when warranted.	<b>X</b>	<b>X</b>
A summary table of proposed changes in positions and/or funding for all organizational units affected by the reorganization proposal. (See Appendix C.)	<b>X</b>	
The signed civil rights certification statement, civil rights impact analysis and concurrence from the USDA Office of Civil Rights.	<b>X</b>	
Statement outlining changes to the Continuity of Operations Plan.	<b>X</b>	<b>X</b>
Interagency Transfer Agreement (See Appendix D.), when warranted.	<b>X</b>	