

# NIH Policy Manual

## 0001 - Reorganization Management

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Transmittal Notice

**1. Explanation of Material Transmitted:** This temporary chapter is being extended due to change of administration and pending release of Department policy. This chapter contains policy for requesting NIH organizational changes and explains the reorganization processes and requirements based on the HHS Memorandum issued October 1, 2018: *Revised Process for OpDiv & StaffDiv Reorganizations*. Supporting procedures for processing a reorganization are found in the NIH Reorganization Management Process Guide (referred to as the guidebook).

**2. Filing Instructions:**

- Insert: NIH Manual 0001 dated 2/7/2023.
- Expiration: This temporary policy expires within 2 years of publication.

**3. Please note:** For information on:

- Content of this chapter, contact the issuing office listed above
- NIH Policy Manual, contact the Division of Compliance Management, Office of Management Assessment, OMA on 301-496-4606 or enter this URL:  
<https://oma.od.nih.gov/DMS/Pages/Manual-Chapters.aspx>

### A. Purpose

This NIH Manual Chapter identifies the temporary policy for preparing and implementing organizational changes at NIH as a result of the HHS Memorandum issued October 1, 2018: *Revised Process for OpDiv & StaffDiv Reorganizations*.

### B. Policy

**1. Reorganization Management Objective**

- a. **Overview:** To enhance the productivity and effectiveness in accomplishing both short-term goals and long-range strategic plans in accordance with the mission of NIH. Organizations must use structures that provide efficient and effective means for accomplishing assigned functions within the bounds of available resources.
- b. **Announcement:** No public announcement of a proposed or approved organizational change (OC) also known as a reorganization until after the Notification of Change (NOC) is distributed to the required distribution list by the NIH Reorganization Management program area. If public hearings are required, OMA will coordinate an informal congressional notification, if required, prior to the publication of a Federal Register notice or any other public notification of a proposed reorganization.
- c. **Process:** The preparation, submission, review, approval, announcement and implementation of a reorganization must follow the guidebook processes and procedures and must use the NIH templates.
- d. **Organizational Structure and Function:**
  - i.
    - 1.
  - ii. An organization must justify a proposed reorganizations benefits to the organization's mission, and identify the objectives of the reorganization and the assignment of responsibilities. In considering a reorganization, it should be noted that an organization shall not be composed of more than seven (7) organizational layers, not counting the NIH Director's Office as a layer. The limit of seven is based on the capacity of certain NIH IT systems. Therefore, in order for these systems to operate properly, a seven layer maximum must be observed.
  - iii. An organization should be lean and simple. In considering a reorganization, avoid unnecessary layering, differentiate between staff and line functions and, where appropriate, place them in separate units. To avoid creating too many small units and complicating the classification system, ensure that no new organizational component includes a substructure of one component. (Note: Components with one subunit as of publication of this chapter are exempt. Contact the NIH Organization Officer for possible additional exceptions.)
    - 1. If an organization is divided, it must be divided into at least two lower level structures.
    - 2. If a substructure is abolished resulting in only one substructure within the parent component, the single remaining component must be abolished as well, merging the functions into the parent component (e.g., no Division may have just one Branch). Contact the NIH Organization Officer to discuss potential exceptions.

- iv. A separate organizational component (see definition) can be established only if the functions to be assigned are distinct from those of other established organizational components and cannot be performed by redistribution of tasks.
  - 1. Clearly define organizational functions.
  - 2. Consider the nature and scope of the functions to be performed.
  - 3. Group similar functions to avoid overlapping responsibilities and fragmentation.
  - 4. Consider structural and functional alternatives.
  - 5. Generally, the recommended minimum size for an organizational component is six full-time equivalent (FTE) positions (not including contractors). Understanding that there are several exceptions due to the nature of NIH, this is a recommendation, not a requirement. Please contact the NIH Organization Officer if you have any questions regarding the organizational structure. Please contact OHR for questions regarding classification or additional personnel requirements.
  - 6. Use standard organizational nomenclature terms to maintain consistency within an organization.
- v. The Office of Management Assessment (OMA), Division of Compliance Management (DCM), Management Operations Branch (MOB), manages and maintains the official organizational data for NIH including Standard Administrative Codes (SACs), acronyms, and official titles. The Institute, Center and OD Office (ICO), Organizational Change Coordinator (OCC) will contact the NIH Reorganization Management program area to obtain a preassigned SAC for a proposed establishment.

## 2. Preclearance Plan

- a. **Overview:** A preclearance plan submission and approval is required prior to a public hearing, submission of a proposed change or the approval of a proposed change. Submission must be sent by the OCC to the NIH Reorganization Management program area within OMA, Office of Management (OM), Office of the Director (OD) using the NIH template and following the instructions attached to the template. Preclearance approval must be granted by the DDM prior to submission of an reorganization package. In some cases, HHS must provide preclearance concurrence. *Preclearance approvals serve to ensure all proposed organizational changes align with contemporaneous agency and federal initiatives.* Clearance and concurrence of the preclearance plan is not a pre-approval of the organizational change. NIH approval authorities have been retained. The preclearance plan approval process can be completed during the requesting offices' reorganization package development. The NIH Reorganization Management Office (RMO) will communicate the DDM decision

to the Organizational Change Coordinator (OCC), including any HHS comments that are to be included within the organizational change package.

**b. Requirements:**

- i. Complete Preclearance Plan using the required template:
  1. General Information
  2. Reorganization Information in bulleted format: List items to be established (this includes the functional statement which does not need to be listed separately), abolishment, title change or functional statement revision.
  3. Full-Time Equivalent (FTE) Information
  4. Budget Information
  5. Current & Proposed Organizational Charts using the OrgChart Now system
- ii. Submit to the NIH Reorganization Management Office
  1. NIH Organization Officer reviews the preclearance plans to confirm requirements, including the Delegation of Authority and Congressional notification
  2. The preclearance plan is routed to the DDM for approval
- iii. NIH Reorganization Management Program Office (RMO) will inform the OCC of the DDM decision. Any HHS comments, if HHS is required to provide concurrence, are to be added to the Decision Memorandum.

**3. Public Hearings**

- a. **NOTE: No announcements or discussion of a proposed reorganization can be made until preclearance and approval, and consultation with OMA. There may be an informal congressional notification requirement.**
- b. **Overview:** The Public Health Service (PHS) Act requires a series of public hearings for reorganizations of program components and some varied reorganizations within NIH.
- c. **Definition** of a series of public hearings:
  - i. Two or more public hearings that provide an overview of the proposed reorganization and allow for public comments prior to submission of the reorganization package to the approving official.
  - ii. Public hearings can include the following events as long as they are open to the public for public questions: committee meetings, town hall meetings, or webinars. Contact the NIH Organization Officer to discuss other options.
- d. **Requirements:**

- i. For organizational changes approved within the Institute or Center or OD Offices, (ICO), obtain preclearance plan clearance and approval through OMA prior to public hearings.
- ii. For non-committee public hearings, the IC Organizational Change Coordinator (OCC) or requesting office submits a Federal Register Notice (FR notice) signed by the IC Director to the NIH Federal Register Liaison Officer in OMA for all hearings (to be published 15-calendar days prior to the hearing/meeting). Include in the notification that a reorganization will be discussed. For committee related meetings, follow Federal Advisory Committee Act (FACA) requirements for approval and include in the notification that a reorganization will be discussed during the open session.
- iii. Complete two or more public hearings and consider whether comments received merit further public or internal discussion or revision to reorganization proposal.
- iv. Prepare brief summary (to be included in the Decision Memorandum) of public hearing discussions including any changes to the proposed organizational change as a result of public input.
- v. Submit copies of FR notices and public hearing meeting summary with the reorganization package.

#### **4. Reorganization Package**

##### **a. Requirements:**

- i. Conduct organizational reviews on a continuing basis to identify possible improvements. Action shall be initiated to abolish unnecessary and/or obsolete organizational components.
- ii. Prepare a package for all reorganizations, including abolishments, establishments, title changes, and revisions to functional statements.
  - 1. OCC coordinates with requesting office to prepare the package and obtain necessary impact statements. The use of templates is required. The formatting of the templates cannot be changed.
  - 2. Package requirements for all reorganizations include the following:
    - A. Decision Memo
    - B. Current and proposed organizational charts using the OrgChart Now system (no staffing levels or personnel information – this is provided in the staffing crosswalk)
    - C. Current and proposed functional statements
    - D. Budget Impact Statement – signed by the ICO Budget Officer
    - E. Personnel Impact Statement – signed by the OHR Client Services Division (CSD) Branch Chief
    - F. EDI Disparate Impact Assessment – signed by the EDI analyst
    - G. Budget table/crosswalk

- H. Personnel crosswalk – submitted to OHR with the personnel impact statement
  - I. Other pertinent info (e.g. when applicable: Public Hearing information, Legislative references, etc.)
3. Documents that will be prepared by the NIH Reorganization Management team for packages approved by the NIH Director or HHS Secretary:
    - A. One-page information memorandum
    - B. SPS Summary Statement
    - C. Draft Decision Memo to the Secretary from the NIH Director (when necessary)
    - D. Draft Congressional notification letters
    - E. Draft Federal Register notice
  4. Templates with NIH header must be used for all memos without changing the formatting. These templates can be found on the Reorganization Management SharePoint site.
  5. The decision-making authority delegated to NIH from HHS are found in the NIH Delegation of Authority #7.
  6. In most circumstances, the approval date of the final approving official establishes the effective date for the reorganization. The effective date cannot pre-date the approval date. The day of establishment is the date the proposal is approved, unless a specific established date is indicated in the decision memorandum.

## 5. Decision Memorandum

- a. **Purpose:** To provide the authorized approving official a list of components being reorganized, a brief discussion of the changes and a justification for the reorganization.
- b. **Requirements:** All NIH organizational change packages must use the NIH template without changes to the format. The Decision Memorandum requesting the organizational change must include:
  - i. **Action Requested:** One to two sentences requesting approval for the organizational change.
  - ii. **Proposed Changes:** A list of each entity, including the Standard Administrative Code (SAC) assigned by the NIH Organization Officer, that is undergoing an organizational change. Specifically, list in a bulleted format the proposed establishments, abolishments, title changes or functional statement revisions. Do not use ‘transfer’, ‘realign’, ‘move functions’ or other ambiguous language. Do not include staff or budget information as this is captured within the impact statements.

- iii. Justification: Discuss the business case for this reorganization.
- iv. Public Hearing Summary: Briefly summarize the public hearing discussion, including any changes to the proposed organizational change as a result of the hearings. If no hearings were required, please use the following language: 'Per NIH Policy, public hearings were not required for this type of an organizational change.'
- v. Recommendation and Decision: As listed in the template, use the language "I recommend that you approve the reorganization as proposed."

## 6. Impact Statements and Assessments

a. **Overview:** A Budget Impact Statement, Personnel Impact Statement, and EDI Disparate Impact Assessment are required for all reorganizations. These documents are necessary because, in proposing a reorganization, constraints such as budget limitations, position management, hiring and promotion restrictions, and assessment of potential adverse impact to a particular population must be considered. **The documents are to be completed and submitted to the approving official prior to the approval of the reorganization.** The documents must list the proposed actions exactly as they listed are in the decision memorandum.

- i. *Important Note: Approval of an organizational package that requires additional resources is not approval for the additional resources. Additional resources (budgetary and personnel) must be approved by following the appropriate budget request and personnel request processes.*

### b. Budget Impact Statement Requirements

- i. A Budget Impact Statement is a memorandum, signed by the ICO Budget Officer, that describes the budget impact of the reorganization on the ICO. The ICO Budget Officer will work with the NIH Budget Office to determine whether the reorganization would result in a reprogramming of funds. This determination is subject to HHS concurrence. When a reprogramming of funds determination has been made, the ICO Budget Officer will communicate with the ICO OCC.
- ii. Budget impacts on affected organizational components must also be considered and evaluated in the early stages of the OC proposal. If the reorganization would have the effect of changing a statutory appropriation, legislation will be necessary (normally through the annual President's Budget process). If the reorganization is limited to changes within an appropriation, it could still be considered a reprogramming of funds or require a reallocation among budget mechanisms. IC budget offices should discuss the reorganization with the NIH Office of Budget to determine the correct language to use in the impact statements. If the Office of Budget considers the reorganization likely to be treated as a reprogramming of funds by HHS, discuss with the NIH Organization Officer as soon as

possible. The NIH Organization Officer will coordinate with HHS on determining the requirement for congressional notifications and coordinate the notification process.

- *Important Note: Reprogramming of funds has a technical interpretation that will determine whether the reorganization will require congressional notification, dependent upon the language in the applicable Appropriations Act.*

iii. The Budget Impact Statement, using the NIH template, must address the following:

1. All organizational changes as listed on the decision memorandum.
2. The impact of the proposed change on the current and future year budgetary forecasts and obligations.
3. Completion and attachment of a budget crosswalk using the NIH template.
4. Determine whether appropriations legislation will be necessary to support the new organizational structure and clearly state whether NIH views the reorganization as a reprogramming of funds.

**Proposed reorganizations that will result in a reprogramming of funds must follow the appropriate actions as identified within the applicable Appropriations Act.** The NIH Organization Officer will coordinate all appropriate actions.

iv. **Transfer Agreement.** Include an approved transfer agreement, MOU or another agreement signed by IC official from all impacted ICs, only resources will be transferred from one IC to another IC, or between an IC and NIH/OD. For a reorganization between NIH and another OPDIV or Agency, a transfer agreement is only required when there is no other approved agreement.

### c. Personnel Impact Statement Requirements

- i. A Personnel Impact Statement is a memorandum, signed by the CSD Branch Chief, that describes the impact of the reorganization on staffing levels, placement of staff, and whether the necessary mechanisms are in place to hire the requested full-time equivalent (FTEs). The NIH template must be used.
- ii. Personnel impacts on affected organizational components must be considered and evaluated in the early stages of the reorganization proposal. The Personnel Impact Statements must include all organizational changes as listed in the decision memorandum and address the following:
  1. Impact on current or proposed GS-level grades.
  2. A need to abolish any GS-level positions due to the realignment to the new organization.

3. The establishment of new division heads for the extramural divisions, which requires Extramural/OD Title 42(f) Committee (ETFC) approval of new extramural professional designations.
4. Change to appeal rights of current employees.
5. IC has bargaining unit employees.
6. When requesting a Personnel Impact Statement from the CSD Servicing Branch Chief, include the following:
  - Current position descriptions for GS-12 and above that will have to be revised or abolished if the proposed reorganization takes effect. These positions will need to be classified and appropriate grade levels established prior to initiating any recruitment actions or reassignments.
  - Newly established positions proposed for classification at the GS-12 level and above. These positions will need to be classified and appropriate grade levels established prior to initiating any recruitment actions or reassignments.
7. All Senior Executive Service, Senior-Level, Scientific and Professional, and Title 42 executive equivalent positions are to be reviewed to:
  - Ensure the duties and responsibilities of proposed positions meet the classification and/or functional criteria for establishment at the executive level; and
  - Minimize the effect on existing executive level positions.
  - The impact of reorganizations on executive positions should be discussed with the Compensation and Senior/Scientific Employment Division (CSSED/OHR) prior to submitting the reorganization package for approval.

iii. Attachments to the Personnel Impact Statement to be sent to the CSD representative, must include:

1. Personnel Crosswalk using the NIH template
2. Organizational Charts (current and proposed without personnel information – this is provided in the personnel crosswalk)
3. Budget Impact Statement with the Budget Crosswalk

iv. NOTE: Appointments of personnel for a new organizational component must await formal approval of the reorganization package.

**d. EDI Disparate Impact Assessment Requirements**

- i. An EDI Disparate Impact Assessment is a memorandum, signed by an Analyst within the Office of Equity, Diversity and Inclusion, OD,

confirming an assessment of the reorganization has been conducted to determine whether any group of employees might be negatively impacted by this proposal.

- ii. The EDI Disparate Impact Assessment NIH template must be used and include the following:

1. All organizational changes as listed in the decision memorandum
2. Determination whether EEO matters have been considered
3. Notation of any EEO impacts

## **7. Announcements of Approved Reorganizations**

- a. **Overview:** To ensure NIH is properly informing the public of any reorganizations, the announcement of an approved reorganization will be sent by the NIH Reorganization Management program office after the completion of the congressional notification period. When a FR notice is required, the announcement will be sent after the publication of the notice.

- i. **Internal or Public Announcement of a Proposed or Approved Reorganization:**

1. The NIH Organization Officer must be notified before the submission of a press release prior to the NOC distribution that references any organizational change. This is to determine if any congressional notifications *may* be required prior to the press release being published.
2. All announcements of a proposed or approved organizational change must wait until the NOC has been sent by the NIH Organization Officer

- ii. **Notification of Change (NOC):**

1. For all approved organizational change, the NOC will be sent by the NIH Organization Officer after the congressional notification period, and FR notice publication, if required. Once the NOC has been sent, public notification of the approved change is permitted.

- iii. **Federal Register Notices (FR notice) for updates to the SOFDA:**

1. After the FR notice publication, OMA will send the Notification of Change (NOC) to the ICO and the required distribution list. Implementation of the approved reorganization begins after the FR notice has been published
2. For approved reorganizations requiring this notification, OMA will prepare, submit for approval, and publish the FR notice.

3. A Statement of Organization, Function and Delegation of Authority (SOFDA) update is required for reorganizations of entities that report directly to the NIH Director. However, this requirement may extend to significant reorganizations that are not direct reports to the NIH Director, as determined by OMA.

## C. References

1. HHS General Administration Manual 8-60, "Reorganization Procedures,"
2. NIH Manual 1130, Delegations of Authority, General Administration No. 7, "Organizational Changes," <https://delegations.nih.gov/DOADetails.aspx?id=1607>. Accessible by authorized NIH users only.
3. NIH Manual Chapter 1743, "Keeping and Destroying Records, "Appendix 1, NIH Records Control Schedule: <https://policymanual.nih.gov/1743> .
4. [Section 401 of the Public Health Service Act, 42 USC 281](#).
5. Federal Register Notice guidance located at <https://oma.od.nih.gov/DMS/Pages/Federal-Register.aspx> .
6. [Applicable Annual Appropriations Act](#)
7. [HHS Memorandum dated September 27, 1995: Delegation of Authority to Approve a Reorganization](#). Accessible by authorized NIH users only.
8. [HHS Memorandum dated August 12, 2010: Delegation to Sign and Approve Federal Register notices for a Reorganization](#). Accessible by authorized NIH users only.
9. [Notification of Organizational Change, NIH Form 2500](#)
10. [NIH Organizational Change Process Guide](#)
11. Preclearance Plan and Proposed Organizational Change templates located in the [NIH Organizational Change Tool Kit](#)

## D. Definitions

1. **Budget Impact Statement.** A Budget Impact Statement is a memorandum, signed by the ICO Budget Officer, that describes the budget impact of the reorganization. The ICO Budget Officer will work with the NIH Budget Office to determine whether the reorganization would result in a reprogramming of funds. This determination is subject to HHS concurrence. When a reprogramming of funds determination has been made, the ICO Budget Officer will communicate with the ICO OCC. The NIH Organization Officer will coordinate with HHS on determining the requirement for congressional notifications and coordinate the notification process.
2. **EDI Disparate Impact Assessment.** An EDI Disparate Impact Assessment is a memorandum, signed by an Analyst within the Office of Equity, Diversity and Inclusion, OD, that confirms an assessment of the reorganization has been conducted to determine whether any group of employees might be negatively impacted by this proposal.

3. **Federal Register.** The official daily publication for regulations (rules), proposed rules, and notices of the federal agencies and organizations, as well as executive orders and other presidential documents. Notices provide information of public interest.
4. **Function.** A responsibility of, or an activity conducted by, an organization to accomplish its mission. A description of which is incorporated into the functional statement of the organizational component.
5. **Functional Statement.** A written statement of the responsibilities and activities conducted within the organizational component to accomplish its mission.
6. **Institute or Center (IC) or Office of the Director (OD) Organizational Change Coordinator (OCC).** Appointed by the IC Executive Officer to review and coordinate the IC's OCs. Each IC must have an OCC and will follow the NIH policy and procedures for a reorganization along with the IC specific policy and procedures. Please see <http://oma.nih.gov/dms/programs/OC/Lists/ICOCCoordinators/AllItems.aspx> for the listing. Please contact the NIH Organization Officer to update contact information.
7. **Institutes and Centers (IC).** Institutes and Centers, including the National Library of Medicine, that report directly to the Director, NIH.
8. **NIH Organization Officer.** Coordinates, reviews, and processes organizational changes at all levels of the NIH. Maintains Standard Administrative Code (SAC) list for NIH. Located in the Division of Management Support (DMS), Office of Management Assessment (OMA), Office of Management, Office of the Director.
9. **Notification of Organizational Change (NOC), Form NIH 2500.** The official document that adjusts central organizational records and informs the appropriate officials of the organizational change.
10. **Organizational Changes (OC) (also called a Reorganization).** Any one or more of the following actions are considered a reorganization and will require a complete and approved organizational change package after receiving preclearance:
  - a. Establish
  - b. Abolish
  - c. Title Change
  - d. Revision of a functional statement
11. **Organizational Component or Component.** Any part of the NIH organization that has all of the following characteristics:
  - a. Established as an organizational component by law, regulation, the Secretary, or by an official to whom such authority has been delegated.
  - b. Has been formally assigned functions (i.e., has an established and approved functional statement).
  - c. Has an approved official Standard Administrative Code (SAC).
  - d. NOTE: Organizations created at the IC level for which no official organizational package has been submitted are not recognized as an official organizational component. Informal organizations such as teams, task forces, and working groups are not considered to be organizational components or entities.

12. **Organizational Level or Echelon.** Refers to the hierarchical location of an organizational component, regardless of its title, and is based on the organization's reporting relationships. The SAC reflects the organizational level.
13. **Organizational Nomenclature.** The group of titles used to identify the relative hierarchical position that an organizational component occupies, such as branch, laboratory, section, and office.
14. **Organizational Change Package.** The standard set of documents required to request an organizational change after the preclearance documentation have been approved. This includes the Decision Memorandum, NOC, Budget Impact Statement, Personnel Impact Statement, EEO Impact Assessment, current and proposed functional statements, current and proposed organizational charts, personnel crosswalk and budget crosswalk. Additional documents are required in OC package based on approving official and legal requirements, which may include public hearing documentation, Federal Register notice, summary statement, congressional notification.
15. **OrgChart Now.** Maintains the official organizational structure and functions of the NIH and is used for our public organizational charts.
16. **Personnel Impact Statement.** A Personnel Impact Statement is a memorandum, signed by the CSD Branch Chief, that describes the impact of the reorganization on staffing levels, placement of staff, and whether the necessary mechanisms are in place to hire the requested full-time equivalent (FTEs). The NIH template must be used.
17. **Program Organization.** A type of organization that is directly responsible for achieving the specific goals of the organization, whose functions consist of the operating or end purpose activities of the NIH. Examples of program organizations at NIH are those that are involved in direct biomedical research, research-related grants, and contract activities. All organizations are either program organizations or staff organizations.
18. **Statement of Organization, Functions and Delegations of Authority (SOFDA) – updated with a Federal Register notice.** Used by the Department and other Federal agencies to legally inform the public of a reorganization by identifying and updating the NIH portions of the HHS organization and functions. Publication of this information is generally required by law or regulation. Also addresses HHS' compliance with the Freedom of Information Act (5 U.S.C. § 522(a)(1)6), which requires HHS to publish descriptions of its central and field organizations in the Federal Register for the use of the public.
19. **Staff Organization.** A type of organization whose functions are comprised of advisory, consultative, service, or support activities related to management or administration that support program organizations. An example of staff organizations at NIH are those that perform administrative functions such as providing public information, oversight of budget or personnel, management assessments or support services. All organizations are either staff organizations or program organizations.
20. **Standard Administrative Code (SAC).** A unique identifier assigned to each organization. SAC is also referred to as the SAC code, administrative code, organizational code or the DeptID (used in EHCM). The SAC is the common organizational identifier for all organizations in the Department of Health and Human Services (HHS). The HHS General Administration Manual (GAM) 8-60 specifies the

code structure

- a. Any SAC abolished will not be reassigned.
- b. The NIH Organization Officer is responsible for assigning and maintaining SACs at NIH. For more information, please contact the NIH Organization Officer at 301-496-2832.

## **E. Responsibilities**

### **1. Institute, Center and OD Office (ICO) Organizational Change Coordinator (OCC).**

- a. Ensures that a reorganization proposal follows all policy requirements (i.e. public hearings, preclearance plan, etc.).
- b. Ensures that the appropriate ICO officials are involved in planning the reorganization and that they perform a review of the proposed reorganization.
- c. Requests new SACs from the NIH Organization Officer when establishing a new organizational component.
- d. Uses the required templates to obtain impact statements and crosswalks from the OHR Client Services Division, Servicing Branch Chief, Office of Equity, Diversity and Inclusion (EDI) and Budget Officers of the IC or the OD.
- e. Ensures the documentation and proposed reorganization is accurate and consistent with the policies in this chapter.
- f. Prepares, reviews for accuracy, and submits preclearance plan and complete proposed organizational change package to the NIH Organizational Change program office.
- g. Submits preclearance plans and proposed organizational change packages to the NIH Organizational Change program office.
- h. Acts as the ICO subject matter expert and point-of-contact for ICO reorganizations, including providing advisory services to their respective ICO, contacting the NIH Reorganization Management program office for additional guidance, receiving policy and procedure updates from the NIH Organizational Change office and communicating these updates and proposed reorganization status updates to the ICO stakeholders.
- i. Submits Federal Register notice for any required public hearings, coordinating with the IC Committee Management Officer for FR notices for committee meetings and the NIH RM Office prior to publication to coordinate congressional notification.
- j. Consults with the NIH Organization Officer at any point for assistance.
- k. Maintains the completed official organizational package, as defined within this policy, for those reorganizations approved within the IC.

### **2. ICO Budget Officer.** Provides the Budget Impact Statement. A Budget Impact Statement is a memorandum that describes the budget impact of the reorganization on the ICO. Requirements for the Budget Impact Statement are outlined in the

guidebook. The ICO Budget Officer will work with the NIH Budget Office to determine whether the reorganization would result in a reprogramming of funds. This determination, which is subject to HHS approval, will be indicated in the impact statement with corresponding language included in the impact section of the Decision Memorandum. When a determination of reprogramming of funds has been made, the ICO Budget Officer will communicate with the ICO OCC to work with OMA. The NIH Organization Officer will coordinate with HHS on determining the requirement for congressional notifications and coordinate the notification process.

3. **Servicing Branch Chief, Client Services Division (CSD), OHR, OM, OD.** Provides the Personnel Impact Statement. A Personnel Impact Statement is a memorandum that describes the impact of the OC on staffing levels, placement of staff, and whether the necessary mechanisms are in place to hire the requested full-time equivalent (FTEs). Requirements for the Personnel Impact Statement are outlined in the above policy.
4. **Office of Equity, Diversity and Inclusion (EDI) Analyst, OD.** Provides the EDI Disparate Impact Assessment.
5. **NIH Organization Officer, Management of Operations Branch (MOB), Division of Compliance Management (DCM), OMA.**
  - a. Provides reorganization policy and procedure advice and assistance to the OCCs and NIH Sr. Leadership, upon request.
  - b. Reviews legislative and HHS policy changes that may require revision of the NIH policy.
  - c. Creates, revises and obtains approval for NIH Reorganization Management policy and procedures.
  - d. Communicates and provides training to NIH stakeholders on NIH RM policy and procedures.
  - e. Coordinates review and approval of preclearance plans.
  - f. Coordinates with HHS to determine requirements including ‘Significance’, congressional notifications, and approval authority.
  - g. Prepares and coordinates reviews for submission of congressional notifications.
  - h. Maintains NIH SAC master list and assigns SACs for newly established components.
  - i. Maintains the official organizational data for NIH including Standard Administrative Codes (SACs), acronyms and official titles.
  - j. Reviews the approved organizational packages to ensure alignment with approved preclearance plan, and compliance with policy and procedures.
  - k. Distributes the NOC, signed Decision Memorandum and functional statements to the required distribution list. Distribution of functional statements is only required for new or revised statements. (See [Notification of Organizational Change, Form NIH 2500.](#))
  - l. Coordinates with HHS and NIH IT to process all SAC changes within EHCM.
  - m. Updates the official online organizational charts and online functional statements at [HHS Organizational Charts Office of Secretary and Divisions | HHS.gov](#). This ensures that NIH’s part of the HHS Organizational Manual (located at <http://www.hhs.gov/hhsmanuals/hhsorganizational/index.html>) is current.

- n. Maintains official and historical records of reorganizations approved outside of the ICs.
  - o. Prepares congressional notifications when required, including NIH Senior Leadership and Office of General Counsel (OGC) review, submission to the Office of Assistant Secretary for Financial Resources (ASFR), HHS, and coordination between ASFR and NIH for responses to questions.
  - p. When the reorganization approval authority is the DDM, NIH Director or HHS Secretary:
    - 1. Requests senior-level NIH clearances for Significant reorganizations or other reorganizations determined to require review. (See [NIH Delegation of Authority, General Administration 7.](#)) Coordinates with the OCC for resolution of any questions or issues that arise during senior-level NIH clearance.
    - 2. Prepares and obtains concurrence for any required congressional notification letters (per PHS Act 401 and Annual Appropriations Act).
    - 3. Prepares additional required documentation.
    - 4. Routes package to the final approving official, or HHS POC when the approval authority rests with the HHS Secretary.
    - 5. Prepares the Federal Register notice, as needed, to update the Statement of Organization, Functions and Delegations of Authority (SOFDA). Requests approval from the NIH Director. For more information, see <https://oma.od.nih.gov/DMS/Pages/Federal-Register.aspx>
6. **Office of Human Resources (OHR).** OHR reviews all Significant reorganization proposals and others as requested by OMA, when necessary. OHR assures that all necessary personnel considerations have been taken into account. This review is in addition to the Personnel Impact Statement. See B.6 in this Policy for requirements for the impact statements.
7. **Office of Budget (OB).** OB reviews all Significant reorganization proposals and others as requested by OMA, when necessary. OB assures that all necessary budget considerations have been taken into account. This review is in addition to the IC Budget Impact Statement. See B.6 in this Policy for requirements for the impact statements.
8. **Office of the General Counsel (OGC).** Reviews Significant reorganization proposals and provides legal advice regarding other OCs, as needed.

## F. Procedures

**NIH Reorganization Management Process Guide (referred to as the guidebook):** All processes and procedures are outlined in the guidebook

## **Appendix 1 - NIH Reorganization Managment Process Guide (Guidebook)**

[NIH Reorganization Managment Toolkit \(SharePoint\)](#)

## **Appendix 2 - Templates**

[Templates](#)