



January 29, 2009

Mr. John R. Hickey  
Chief Financial Officer  
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**FY2008 PEER REVIEW OF SUPPORT COST BY FUNCTIONAL ACTIVITY REPORT (SCFAR) – OAK RIDGE ENVIRONMENTAL MANAGEMENT AND ENRICHMENT FACILITY (OREMEF)**

Dear Mr. Hickey:

We have reviewed the FY2008 Support Cost by Functional Activity Report (SCFAR) of Oak Ridge Environmental Management and Enrichment Facility (OREMEF). The purpose of the review was to confirm that the data reported by OREMEF complied with the guidelines and definitions issued by the United States Department of Energy (DOE) and to fulfill a DOE-HQ requirement to have all of the reporting sites independently reviewed by a SCFAR Peer Review Team on a periodic basis.

*FY2008 Support Cost by Functional Activity Report Process*

The methodology used by OREMEF in preparing the FY2008 SCFAR was to utilize organizational codes, charge codes and, if necessary, allocations. These accounts are categorized by Functional Support Cost elements or as Mission Direct based on the primary service provided.

Recommendations during the last SCFAR Peer Review (1/26/06) for FY2005 have been verified as implemented.

*Items Identified During the FY2008 Peer Review:*

1. Charge Code NPRQ0100, 0204 Legacy Workers Comp currently categorized in Mission Direct “Environmental Management” (\$402K).

Team Recommendation: Move the cost to Functional Support Cost category Legal.

2. Charge Code NPRQ0205, 0206 & 0207 Legacy Workers Comp currently categorized in Mission Direct “Environmental Management” (\$1,374K).

Team Recommendation: Move the cost to Functional Support Cost category Other.

3. Translation Code 470, Charge Code KKUTCORT ETTP Fire Department Transition to COR currently categorized in Utilities (\$1,211K).

Team Recommendation: Move the cost to Functional Support Cost category Safety & Health.

4. Translation Code 470, Charge Code KKUT3813 ETTP Fire Prot and Emergency Mgt currently categorized in Utilities (\$2K).

Team Recommendation: Move the cost to Functional Support Cost category Safety & Health.

5. Translation Code 470, Charge Code KKUTLEAS City of Oak Ridge FD Lease Paymt currently categorized in Utilities (\$2,389K).

Team Recommendation: Move the cost to Functional Support Cost category Safety & Health.

***Accuracy Assessment***

The Peer Review Team has concluded that the Oak Ridge Environmental Management and Enrichment Facility has met the intent of the SCFAR guidelines and definitions and has achieved a level of accuracy at or above 90%.

We would like to thank Mary Beth Blair and Wendell Cooper for their efforts and support in assisting the Peer Review Team with this review.

  
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Jean D. Ramirez  
Peer Review Team Lead  
Brookhaven National Laboratory

1/29/09  
Date

  
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Connie Markiewicz  
Peer Review Team  
Argonne National Laboratory

1-29-09  
Date

  
\_\_\_\_\_  
John R. Hickey  
Chief Financial Officer  
Bechtel Jacobs Company, LLC

1/29/09  
Date

- CC: O. Barwell, DOE-HQ  
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