



FROM: William Morrison, EFCOG Chair

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TO: Ingrid Kolb, Chair, Directives Review Board

Matt Moury, Associate Under Secretary for Environment, Health, Safety and Security

SUBJECT: EFCOG/DOE Contractor Assurance System (CAS) Effectiveness Task Team

The purpose of this correspondence is to inform you of EFCOG's plans for developing a Best Practices document by April 30, 2017 for transparently and objectively determining the effectiveness of a contractor's CAS. With increasing value, attention, and scrutiny being placed on effective Contractor Assurance Systems (CAS) by various segments of the DOE, the DNFSB, and contractors, the need to assess how well a CAS is functioning with a high degree of transparency has taken on increasing priority.

The CAS is a critical part of an organization's tools to assure operational effectiveness. It serves as one of the most influential ISMS core functions of continuous improvement and feedback. An effective CAS provides a level of confidence that a contractor is identifying and fixing its own issues before bigger issues become self-revealing. The foundation of an effective CAS is an ISMS culture which values self-assessment, self-identification of issues, timely and effective corrective actions, and diverse performance monitoring.

Because of its importance and complexity, CAS is a process that benefits from individual companies and organizations sharing lessons learned and best practices to more effectively implement and assess its effectiveness. Improved long-term performance could be achieved by DOE and its contractors using a common approach to assess CAS effectiveness. This would be evident from improving productivity coupled with reduced severity and significance and frequency of events. One obvious and immediate benefit is the sharing of resources around the complex to assess CAS effectiveness, and to observe, document and disseminate best practices.

EFCOG is in the process of forming a joint senior level EFCOG/DOE Task Team to identify a consensus approach for determining whether or not a CAS is effectively implemented. A diverse team of senior industry leaders representing major contractors, DOE, DNFSB, and INPO, with CAS experience, will develop an EFCOG Best Practice Guide to be used by DOE contractors. This document would include an approach to determine the effective implementation of a CAS at a contractor facility.

Our goal is to issue an EFCOG Best Practices document by April 30, 2017 that identifies a consensus approach for determining the effectiveness of an Organization's CAS. The EFCOG Safety Working Group (SWG), chaired by John McDonald and with

Ray Skwarek from UCOR as EFCOG Sponsoring Director, has functional responsibility for the Contractor Assurance System (CAS) and would take the lead for this effort for EFCOG.

EFCOG has worked extensively with Dr. Pat Worthington on this activity in her position as the DOE SWG Liaison, as well as her DOE management responsibilities which include the CAS program. We intend that Pat be involved with this activity as a Co-Chair for continuity.

We will communicate our progress to you over the next few months, and if you have questions at any time, please contact me or John Longenecker, EFCOG Managing Director.