

**LETTER OF OBLIGATION
DEPARTMENT OF ENERGY**

This LETTER OF OBLIGATION (LOO) establishes the requirements for performance by a Most Efficient Organization (MEO) within the Department of Energy (DOE or Department).

DOE competed the performance of a commercial activity, [insert RFP# and title], under the standard competition procedures of Office of Management and Budget (OMB) Circular A-76 (Revised), Performance of Commercial Activities, dated May 29, 2003. OMB Circular A-76 is hereby incorporated by reference. All actions taken under this Agreement shall be in accordance with the requirements of the Circular.

The agency tender, dated [insert date], was selected to be the service provider under said competition and is incorporated by reference to this LOO.

The organizational title of the MEO is the [describe MEO organization and reporting position within DOE].

Performance under this LOO will be in accordance with the following requirements:

1. Performance Work Statement, Period of Performance and Estimated Cost

A. Performance Work Statement

The MEO will perform the work identified in the Performance Work Statement (PWS) consistent with the agency tender proposal and all applicable laws, regulations, and other requirements. The PWS is Attachment A to this LOO. The Phase-In Work Statement is Attachment B.

Performance during the Phase-In Period shall also be in accordance with the requirements identified as necessary for transition by DOE and with the Phase-In Plan (Attachment C) submitted with the agency tender.

B. Period of Performance and Estimated Cost

Performance of the PWS will be provided during a Phase-In Period and a two-year Base Period. Three one-year Option Periods are available for continued performance under this LOO. The exercise of the options is dependent upon the MEO performing at an acceptable level. All performance periods are subject to available appropriations.

Period	Start Date	End Date	Estimated Cost
Phase-In			
Base			
Option 1			
Option 2			
Total			

This LOO may be extended for an additional three-year period beyond the periods identified above in accordance with OMB Circular A-76.

2. Reporting Requirements

The MEO is required to submit the deliverables specified in the PWS, including actual cost reporting. Since DOE and OMB are continuing to refine the form and content of the required cost reports, specific requirements will be provided to the MEO by the Contracting Officer Representative (COR) when available.

3. Inspection and Monitoring of Services

The Contracting Officer shall designate one or more CORs. The COR designation will be in writing and will state the responsibilities of the CORs, to include monitoring, inspecting and acceptance of non-conforming work. Additionally, technical monitors, quality assurance evaluators or other representatives may be designated to assist the CORs.

The MEO will perform all work in accordance with the Quality Control Plan (Attachment D). All work and deliverables will be monitored by the CORs and other designated representatives.

The Contracting Officer may at any time, by written order, make changes within the general scope of this LOO. If any change causes an increase or decrease in the estimated cost, or the time required for performance of any part of the work under this agreement, whether or not changed by the order, or otherwise affects any other terms and conditions of this LOO, the Contracting Officer will make an equitable adjustment and modify the LOO. The Contracting Officer shall be the only individual authorized to modify any term or condition of this LOO.

4. Special Requirements

- A. DOE may terminate this LOO by following the procedures in OMB Circular A-76 and applicable DOE policy and procedures.

- B. This LOO solely represents the obligations of DOE and the MEO with regard to the MEO's performance of the PWS. Management of all members of the MEO workforce is the responsibility of the MEO management in each sponsoring organization. The administration and enforcement of any decisions related to the LOO will be in conformance with all laws and regulations governing Federal employment.

5. Attachments

- A Performance Work Statement

- B Phase-In Work Statement

C Phase-In Plan

D Quality Control Plan

6. Acceptance

This LOO shall govern performance by the MEO for the services identified in the PWS and competed under OMB Circular A-76, dated May 29, 2003.

For the Department:

For the MEO:

Date
Contracting Officer

Date

Distribution: