

**STEWARDSHIP PLAN:**  
**POST-KATRINA ACQUISITIONS**

**I. Purpose**

DOE's Stewardship Plan for Acquisitions is intended to ensure that federal acquisition funds: are expended only on real/authorized requirements of the government; are obligated through appropriate contract vehicles and in conformance with applicable polices, methods, and procedures; and result in verified performance. Procurements in support of post-Katrina (including hurricanes Katrina, Rita and Wilma) relief and reconstruction efforts will be effected through valid transactions, and the use of emergency authorities will be the subject of risk-based controls. In addition, problems and issues will be identified as early as possible and prevented to the maximum practical extent.

**II. Critical Features**

The plan centers on the following critical features:

- (A) Comprehensive identification and communication of those post-Katrina relief and reconstruction efforts that are effected or supported by DOE purchasing activities;
- (B) Identification and communication of, and, as necessary, training on the contracting vehicles, methods, and procedures available to support such activities and the circumstances under which those other methods and procedures are available;
- (C) Assurance that adequate numbers of qualified acquisition officials, including contract specialists, contracting officers, and contracting officer representatives, are available to apply those vehicles, methods, and procedures in an effective and efficient manner;
- (D) Application of the control mechanisms normally associated with purchasing vehicles, methods and procedures as defined by the Federal Acquisition Regulation, Department of Energy Acquisition Regulation, and internal DOE directives, as well as those additional and specialized controls that may be established and applied in conjunction with newly authorized acquisition methods and processes targeted to post-Katrina relief and reconstruction.
- (E) Regular communication of information relative to acquisition support activities to provide early warnings of problems and issue and facilitate prophylactic or corrective measures.

- (F) Integration with control plans and control activities related to the management and disposition of government property that may be acquired by DOE in support of post-Katrina relief and reconstruction efforts, loaned to other organizations providing such support, or otherwise dispensed to other organizations as part of the relief effort.

### III. Applicability

This plan applies to all DOE organizations, including the National Nuclear Security Administration (NNSA), that support post-Katrina relief or reconstruction efforts through acquisitions that have a direct relationship to those efforts. This plan will remain in effect until cancelled.

### IV. Responsible Parties

- (A) Chief Financial Officer  
Responsible for DOE's Comprehensive Stewardship Program and control plans, and data collection. (Contact: Mr. Sterling Ross, at [sterling.ross@hq.doe.gov](mailto:sterling.ross@hq.doe.gov); 202-586-8662).
- (B) Chief Acquisition Officer  
Responsible for the overall development, coordination and communication of the acquisition Stewardship Plan; liaison for procurement matters with Office of Management and Budget, Department of Homeland Security and Federal Emergency Management Agency, and Department of Commerce.
- (C) Senior Procurement Executives for NNSA and DOE  
Responsible for identifying appropriate vehicles, methods, procedures and ensuring that applicable controls are in place.
- (D) Heads of Contracting Activities; Contracting Officers  
Responsible for the conduct of procurement operations, application of appropriate procurement vehicles, methods, procedures, and controls.  
Responsible for identifying post-Katrina procurement actions and providing other information to other DOE Coordinator as may be required.

### V. Emergency Procurement Authorities (See Attachment)

### VI. Definition

A post-Katrina acquisition is a procurement or purchase transaction effected to accomplish: a tasking of the Federal Emergency Management Agency (FEMA); a request of another agency pursuant to the Economy Act or the Department of Homeland Security Act (DHS Reimbursable Authorization) or the Atomic Energy Act (Work for Others); or an internal DOE procurement request for property or

services related to post-hurricane Katrina, or Wilma relief or reconstruction efforts.

## VII. Special Control Measures

- (A) The authority identified in paragraph one of the attachment to this order shall only be exercised in exceptional circumstances and only by those individuals specifically authorized in advance by the cognizant Senior Procurement Executive. The Senior Procurement Executive shall coordinate any such authorization with the Office of Management and Budget (OMB).
- (B) All post-Katrina-related acquisitions in excess of \$2,500 in dollar value effected prior to the issuance of this plan and all post-Katrina acquisitions with an estimated value in excess of \$25,000 effected subsequent to the issuance of this plan, whether effected by DOE or by a Management and Operating (M&O) contractor, shall be identified to the cognizant Senior Procurement Executive by the cognizant DOE contracting officer. The identification shall include the name and telephone number of the contracting officer or contractor purchasing official effecting the transaction, the actual or estimated value of the acquisition, and a brief description as to the nature and purpose of the acquisition, including the identification of the internal and/or external party that generated the requirement.
- (C) Mandatory Reviews for post-Katrina acquisition other than Purchase Card Transactions:
- (i) All Federal and M&O acquisitions in excess of \$2,500 effected prior to the issuance of this plan shall be the subject of a post-award review. Cognizant DOE contracting officers will be responsible for the review of transactions effected by the M&O and the offices of Contract Management (MA-60) or, for NNSA, the NNSA Board of awards, will be responsible for the review of Federal contracts. The review may be conducted in any manner determined by the DOE contracting officer or the cognizant Senior Procurement Executive as appropriate to the nature of the acquisition.
  - (ii) Federal acquisitions in excess of \$2,500 in value utilizing other than competitive procedures or one or more of the authorities contained in the attachment to this plan and other acquisitions with an actual or estimated value in excess of \$100,000 shall be reviewed prior to award by the Office of Contract Management (MA-60) or, for NNSA, the NNSA Board of Awards except that if, in the opinion of the cognizant Contracting Officer, human health or safety would be endangered by the delay inherent in such review, the review shall be accomplished as soon after award as is practical. The review may be conducted in any manner determined by the cognizant Senior Procurement Executive appropriate

- to the nature and urgency of the acquisition, including a telephonic or electronic review of appropriate information.
- (iii) M&O contractor acquisitions in excess of \$2,500 in value utilizing noncompetitive procedures and other acquisitions with actual or estimated value in excess of \$100,000 in support of Katrina relief or reconstruction efforts shall be reviewed by the cognizant DOE contracting officer prior to award, except that, if in the opinion of the DOE contracting officer, human health or safety would be endangered by the delay inherent in such review, the review shall be accomplished as soon after award as is practical. The review may be conducted in any manner determined by DOE contracting office appropriate to the nature and urgency of the acquisition, including a telephonic or electronic review of appropriate information.
  - (iv) Records related to each acquisition and review shall be retained and maintained in accordance with DOE policies and procedures.
- (D) The recording and accounting for acquisition obligations and expenditures for all Katrina-related acquisitions shall be in accordance with regular DOE/contractor policies, procedures, and local practices. Where the nature of the transaction requires that DOE be reimbursed from another agency or organization such reimbursement shall be required and obtained in accordance with regular DOE/contractor policies, procedures, and local practices and documentation of that reimbursement shall be maintained in appropriate financial and contract files.
- (E) Interagency transactions. Where a DOE component organization has been tasked to provide goods or services by acquisition to another agency, the requirements of the Economy Act, FAR 17.500, and, as appropriate, DOE Orders and other directives shall be complied with. The DOE contracting officer, in coordination with the cognizant field or headquarters Chief Financial Officer, shall also ensure that the appropriate financial requirements are met by the requiring agency including the certification of availability of funds. See Acquisition Letter 2005-05, 4/22/05, for additional information on the appropriate content administration of such transactions.
- (F) The cognizant contracting officer shall ensure that sufficient personnel resources are available to support the award and administration of post-Katrina relief and reconstruction contracts, including as necessary technical support in the form of contracting officer representatives or technical monitors necessary for the surveillance and verification of contract performance. If the contracting officer determines that such resources are inadequate he/she shall immediately notify the cognizant Head of Contracting Activity through the applicable chain of command. If resource issues can not resolved by the HCA, they shall be referred to the cognizant Senior Procurement Executive.

- (G) The Contracting Officer shall include in the contract file a statement that reflects the government's verification that supplies and services acquired by the contract have been received consistent with contract requirements.
- (H) Purchase Card Transactions
  - (i) The DOE wide Program Coordinator will:
    - (a) require all DOE local coordinators to review a random sampling of purchase card transactions effected in support of post-Katrina relief efforts and shall maintain a file documenting the results of these reviews
    - (b) utilize data mining to identify Katrina-related purchases, by using an automated test for changes in single purchase limits
    - (c) work closely with Bank of America's account manager to monitor all changes in cardholder single purchase limits (all requests for changes to single purchase limit requires manual input by the Bank's account manager)
    - (d) communicate with local Program Coordinators and closely monitor activities for 60 days after rescinding emergency authority
  - (ii) Local Program Coordinators will:
    - (a) report all Katrina-related purchase card transactions to the DOE-wide Program Coordinator
    - (b) assist in conducting 60-day follow-up reviews for all Katrina purchase card transactions
- (I) Contracting Officers shall coordinate with the cognizant Organizational Property Management Officer those contract actions that may result in government owned personal property being loaned, given, or otherwise disposed of to another agency or other recipients. Contracting officers with cognizance over M&O and other major site/facility management contracts shall ensure that contractor purchasing officials similarly coordinate these property-related transactions with contractor property managers.

### **VIII. Additional Responsibilities**

- (A) Post-Katrina acquisitions should be identified as such in the FPDS-NG in accordance with instructions separately provided.
- (B) Contracting personnel are reminded to ensure that prices associated with Katrina related acquisitions are reasonable under the circumstances of the transaction and the unique circumstances of recovery operations.
- (C) To the maximum extent practicable, consistent with applicable regulations, contracting personnel should facilitate contracting opportunities for local businesses – particularly small businesses – in or near the areas of post-Katrina relief and reconstruction. Note that section 307 of the Stafford Act (Pub.L.93-288) establishes a preference for contracting with local organizations for

emergency assistance activities. The Department of Commerce has established a small business clearinghouse to facilitate small business participation in post-Katrina related procurements. Contracting officers should alert Stephen Zvolensky, DOE's point of contact with the Department of Commerce, at [stephen.zvolensky@hq.doe.gov](mailto:stephen.zvolensky@hq.doe.gov) or 202-287-1307, to identify any anticipated requests for post-Katrina purchasing.

Attachment: Emergency Authorities



**POLICY FLASH**

**POLICY FLASH 2005-56**

DATE: October 4, 2005  
TO: Procurement Directors  
FROM: Office of Procurement and Assistance Policy, ME-61  
Office of Procurement and Assistance Management

**SUBJECT: Hurricane Katrina Emergency Contracting Authorities**

**SUMMARY:** The Office of Management and Budget (OMB) has limited the use of special micro-purchase threshold emergency procurement authority for purchase cards. OMB concluded that the need for this increased authority has diminished and therefore agencies are to utilize it only under “exceptional circumstances” (see Policy Flash 2005-52).

Thus, if a higher limit is still required, please contact the undersigned for guidance. The Office of Procurement and Assistance Policy will coordinate your requirement with OMB.

Questions concerning this policy flash should be directed to Jackie Kniskern at 202-287-1342 or [jacqueline.kniskern@hq.doe.gov](mailto:jacqueline.kniskern@hq.doe.gov).



Michael P. Fischetti, Acting Director  
Office of Procurement and  
Assistance Policy, OMBE

Attachment: OMB Memo dated October 3, 2005



# POLICY FLASH

## **POLICY FLASH 2005-52**

**DATE:** September 9, 2005  
**TO:** Procurement Directors  
**FROM:** Office of Procurement and Assistance Policy, ME-61  
Office of Procurement and Assistance Management

**SUBJECT:** Hurricane Katrina Emergency Contracting Authorities

**SUMMARY:** In order to facilitate the federal government's response to this natural disaster, various procurement authorities have been affected, which are summarized below.

Section 101 of the Emergency Supplemental Appropriations Act, enacted September 8, 2005, permits DOE (and other agencies) to use simplified acquisition and micro-acquisition procedures to support Hurricane Katrina rescue and relief operations. Although these procedures have been available since 1994, this Act increases the threshold for their use (see below).

### *GENERAL PROVISION*

*SEC. 101. For procurements of property or services determined by the head of an executive agency to be used in support of Hurricane Katrina rescue and relief operations--*

*(1) the emergency procurement authority in subsection 32A(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 428a(c)) may be used; and*

*(2) the amount specified in subsections (c), (d), and (f) of section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) shall be \$250,000.*



## POLICY FLASH 2005-52

Section 101(1) permits the use of emergency procedures set out in 41 USC 428a ("Special emergency procurement authority") for current relief efforts and otherwise applies to "contingency operations" (defined in title 10 as a military operation that includes activating military in national emergencies) and to facilitate the defense and recovery from nuclear, biological, chemical, or radiological attack. 41 USC 428a increases the authority for "simplified acquisition procedures" and treats property and services as a "commercial items" purchase (see FAR 13.005).

Section 101(2) increases micro-purchase authority, enacted as part of the Federal Acquisition Streamlining Act of 1994, from \$2,500 to \$250,000 (see FAR 13.2).

In addition, the President has suspended Davis-Bacon coverage on those disaster areas affected. This proclamation is posted on the White House website at: <http://www.whitehouse.gov/news/releases/2005/09/20050908-5.html> An "All Agency" Memorandum from the Department of Labor, outlining specifics of this matter is forthcoming and available for review at [www.wdol.gov](http://www.wdol.gov).

The Secretary of Defense and the Secretary of Homeland Security have also determined that the circumstances in the aftermath of Hurricane Katrina warrant exercising the emergency procurement authorities authorized at 41 USC 428a. A memorandum from the Civilian Agency Acquisition Council invoking this authority is attached.

Finally, forwarded for your general information is an article published by Acquisitions Solutions, Inc. on contracting in an emergency situation, which summarizes the use of emergency procurement authorities.

DOE contracting officers and other acquisition officials are cautioned to use and properly document the above authorities only for those activities having a clear and direct relationship to the current emergency. However, the favorable consideration of requests for waivers or deviations to reporting requirements, applications, deliverables, etc. for contractors or financial assistance recipients with offices in the areas affected by Hurricane Katrina is highly encouraged.

Questions or assistance concerning this policy flash should be directed to Jackie Kniskern at 202-287-1342 or [jacqueline.kniskern@hq.doe.gov](mailto:jacqueline.kniskern@hq.doe.gov).



Michael P. Fischetti, Acting Director  
Office of Procurement and  
Assistance Policy, OMBE

Attachments