

CORRECTION NOTICE FLASH 2005-23

SUMMARY OF CHANGES IN MAKE-OR-BUY ELIMINATION

A study of the Make-or-Buy process concluded that it was costly to administer and did not produce the expected benefits.

1. Section 901.105 is amended to remove the reference to the Make-or-Buy paperwork clearance under the Paperwork Reduction Act.
2. Section 970.1504-4-1, Make-or-Buy Plans, is removed. It included 970.1504-4-2, Policy, and 970.1504-3, Requirements.
3. Section 970.1504-5(b) is removed. It was the instruction for use of the Make-or-Buy Plan clause.
4. Section 970.5203-1, Management Controls, is amended to include outsourcing of functions as a consideration of efficient and effective operations.
5. Section 970.5203-2, Performance improvement and collaboration, is amended at paragraph (a) to provide a requirement for contractors to consider outsourcing as a mechanism to increase improvement in the management of their contracts.
6. Section 970.5215-2, Make-or-Buy Plan, is removed and reserved.
7. Section 970.5244-1, Contractor Purchasing System, is amended to remove and reserve paragraph (n).