



POLICY FLASH
2008-62

DATE: September 4, 2008

TO: Procurement Directors

FROM: Office of Procurement and Assistance Policy, MA-61
Office of Procurement and Assistance Management

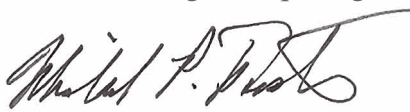
SUBJECT: New Acquisition Guide Chapter 70.15, "M&O Contractor Incentives – Fee, Rollover of Performance Fee, and Award Term"

SUMMARY: The Department has issued a new Acquisition Guide Chapter 70.15, "M&O Contractor Incentives – Fee, Rollover of Performance Fee, and Award Term" (attached).

Acquisition Guide chapter 70.15 provides: (1) a synopsis of the M&O contractor fee policy (focused on the mechanics of the calculation and the key considerations of the policy); (2) guidance on a key aspect of the policy, linking performance fee to outcomes, including guidelines on allowing rollover of **performance** fee; and (3) guidance on the use of the non-fee incentive of award term.

This Flash may be viewed online within a day at the following **website**:
http://management.energy.gov/policy_guidance/policy_flashes.htm.

Questions should be directed to Michael Righi at michael.righi@hq.doe.gov.



Michael P. Fischetti, Director
Office of Procurement and
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Attachment