

**HEADQUARTERS
POLICY FLASH**

POLICY FLASH 2004-06

DATE: February 26, 2004
TO: Procurement Directors
FROM: Office of Procurement and Assistance Policy, ME-61
Office of Procurement and Assistance Management

SUBJECT: **Contract Management Planning Guidance**

SUMMARY: Recently, the Department of Energy (DOE) received a number of broad management challenges from both the General Accounting Office (GAO) and the DOE Office of the Inspector General (IG). Both the GAO and the IG stressed the importance of improving the way the Department conducts the administration and management of its contracts. The Deputy Secretary responded, on March 17, 2003, by directing the Department to aggressively confront and address these challenges.

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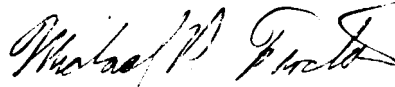
While recognizing that the Department has made many positive efforts to address and improve DOE's performance, the Deputy Secretary stressed that senior management needed to tackle the underlying causes of the issues raised

In response to the challenges of the GAO and the IG and the Deputy Secretary's direction, an initiative was executed to effect a formal process for contract management planning under the Department's major site and facility contracts and other contracts as appropriate. Acquisition Letter 2003-02 was issued to provide interim coverage while new guidance was developed for the DOE Acquisition Guide to ensure that contract management planning commences at the earliest acquisition planning stage and continues throughout the procurement cycle to ensure the successful accomplishment of the mission of the Department's contracts. The DOE Acquisition Guide has thus been modified as follows:

- a new Chapter 42.5, "Contract Management Planning", has been added to emphasize the importance of developing Contract Management Plans (CMPs) and to identify both the contracts that require CMPs and the information to be contained in them. This guidance was formerly contained in Acquisition Letter 2003-2, "Contract Management Planning;"
- new language has been added to Chapter 71.1, "Headquarters Review of Contract and Financial Assistance Actions", to define the submittal requirements for CMPs as part of the packages submitted for Headquarters Business Clearance approval.

Chapter 7, "Acquisition Planning," will be modified soon with other changes to Chapter 7 that require contract management planning during the acquisition planning stage.

If there are any questions regarding this matter, please contact James Tower at (202) 586-4294 or via email at james.tower@hq.doe.gov.



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Attachments

cc: PPAG Members