



Department of Energy

Washington, DC 20585

MEMORANDUM FOR RICHARD H. HOPF
DIRECTOR, OFFICE OF PROCUREMENT
AND ASSISTANCE MANAGEMENT, OMBE/
SENIOR PROCUREMENT EXECUTIVE

FROM: BRUCE M. CARNES *BMC 10/7/04*
ASSOCIATE DEPUTY SECRETARY/CHIEF
ACQUISITION OFFICER

SUBJECT: Senior Procurement Executive/Office of Procurement and Assistance
Management (OPAM) Support to the Chief Acquisition Officer

As the Chief Acquisition Officer (CAO) for the Department, I have been assigned the functions prescribed by Section 16 of the Office of Federal Procurement Policy Act (41 U.S.C. 414), as amended by the Services Acquisition Reform Act, Pub. L. 108-136. In your capacity as Senior Procurement Executive, you are responsible for a number of activities and maintain certain management and control systems critical to the successful fulfillment of these CAO functions. Accordingly, consistent with the attached, you will perform these activities in support of me and report to me on various aspects of the Department of Energy (DOE) acquisition system.

Attachment



Functions of the Chief Acquisition Officer (CAO)

➤ **Monitor the performance of acquisition activities and acquisition programs and evaluate the performance of those programs on the basis of applicable performance measurements.**

- ◆ OPAM will provide an annual assessment through its Balanced Scorecard of Performance Management (BSC). This performance management system provides for the monitoring of performance by acquisition activities against established objectives, measures and performance targets. It also tracks management initiatives that support the accomplishment of performance objectives.
- ◆ OPAM will review and clear Departmental contract actions in accordance with applicable directives to ensure the quality of the transactions and evaluate the demonstrated capability of the contracting offices.
- ◆ OPAM will provide for the periodic review of contracting operations at DOE contracting activities in accordance with established procedures.
- ◆ OPAM will assess the DOE acquisition system against criteria contained in the draft General Accountability Office (GAO) Assessment Template and propose recommendations for improvement.
- ◆ OPAM, in coordination with the Office of Engineering and Construction Management, will participate in the Energy Systems Acquisition Advisory Board (ESAAB), in accordance with DOE Order 413.3, to assess the performance of organization acquisition activities supporting DOE Capital Asset project management

➤ **Advise the Secretary of Energy regarding the appropriate business strategy to achieve the mission of the agency.**

- ◆ OPAM will perform analyses of business strategies and plans, institutional/site plans, acquisition plans and contract management plans in accordance with applicable DOE directives.
- ◆ OPAM will, in coordination with the Office of Engineering and Construction Management, participate in ESAAB Readiness Reviews and assess the business strategies underlying the acquisition of capital assets.

- **Increase the use of full and open competition in the acquisition of property and services by establishing policies, procedures, and practices that ensure DOE receives a sufficient number of sealed bids or competitive proposals from responsible sources to fulfill Government requirements, at the lowest cost or best value, considering the nature of the property or service procured.**
 - ◆ OPAM will continue to serve as the Department's Competition Advocate and provide me with performance assessments on the status of DOE competition, as well as any recommendations for improving their own competition practices.
 - ◆ OPAM will establish and maintain performance measures that ensure adequate competition. Departmental performance under each measure is to be tracked each year and monitored to ensure that DOE is maximizing competition to the extent practicable.
 - ◆ OPAM will monitor competition under General Services Administration (GSA) multiple award schedule contracts and agency multiple award task and delivery order contracts to ensure maximum practical application of competitive techniques.
 - ◆ OPAM will be responsible for the completion of action items related to the Department's 2004 Management Challenge, entitled "Increasing Competition".

- **Increase appropriate use of performance based contracting and performance specifications.**
 - ◆ OPAM will establish and maintain performance measures and targets for application of performance based contracting for services.
 - ◆ OPAM will identify and accomplish management initiatives critical to achieving performance results for increased use of performance based contracts.
 - ◆ OPAM will provide training and guidance on performance based contracting to procurement, program and other officials.

- **Make acquisition decisions consistent with all applicable laws.**
 - ◆ OPAM will establish and maintain performance measures and targets relevant to contract quality.
 - ◆ OPAM will maintain a procurement action review process to ensure inclusion of legally required solicitation provisions and clauses.

- ◆ OPAM will work closely with the Office of General Counsel (GC) to ensure coordination when reviewing procurement actions achieving compliance with applicable laws.
 - ◆ OPAM will monitor GAO/Inspector General (IG) reports and decisions regarding contract actions and activities in order to determine their relevance to DOE acquisition activities, and take such action as necessary to ensure that DOE acts consistently, in accordance with applicable law.
- **Establish clear lines of authority, accountability, and responsibility for acquisition decision making within the executive agency.**
- ◆ The Procurement Executive will be the principal procurement advisor to the CAO, the Director of Management, Budget and Evaluation/Chief Financial Officer, and the heads of Headquarters elements regarding procurement and acquisition management.
 - ◆ In response to a variety of Departmental organizational changes in the recent past that improve and clarify levels of authority, each program shall have one or more Heads of Contracting Activity (HCA) appointed by the Senior Procurement Executive. Each designation will specify defined delegations of authority, including functions and dollar limitations. Periodic follow-up assessments by OPAM will be conducted for each designation. HCAs will, in turn, appoint Contracting Officers in accordance with DOE O 541.1B, "Appointment of Contracting Officers and Contracting Officer Representatives", providing lines of authority for decision making.
- **Manage the direction of acquisition policy for DOE, including implementation of unique acquisition policies, regulations, and standards, as they pertain to DOE.**
- ◆ OPAM will participate in the development of Government-wide acquisition policies and regulations and will develop and manage DOE's internal policy, including implementing and supplemental regulations.
- **Develop and maintain an acquisition career management program within DOE to ensure an adequate professional workforce.**
- ◆ OPAM shall maintain an acquisition career management program which shall provide comprehensive coverage for all elements of the acquisition workforce, in accordance with DOE Order 361.1A, "Acquisition Career Development Program".
- **As part of the strategic planning and performance evaluation process required by statute-**

- **Assess the knowledge and skill requirements established for agency personnel in acquisition resources management and the adequacy of such requirements for facilitating the achievement of established performance goals for acquisition management**
 - ◆ OPAM will conduct environmental scans and skill assessments to ensure that the workforce has the skills needed to address emerging concepts and innovations. Career development programs will be revised as necessary to incorporate new learning opportunities to fill skill gaps.
- **Develop strategies and specific plans for hiring, training, and professional development in order to rectify any deficiencies.**
 - ◆ OPAM will provide for professional certification, succession planning and other programs to ensure a competent acquisition workforce under the acquisition career development program. OPAM will establish and maintain performance measures and targets for achieving professional certification and other objectives. OPAM shall routinely monitor the status of the workforce and recommend necessary remedial action.
- **Report to the Secretary on the progress made in improving acquisition management capability.**

OPAM will conduct regular demographic analyses, critical skill analyses, and organizational assessments to determine the health of the organization. The demographic analysis shall identify hiring needs, critical skill analyses identify skill gaps. Organizational assessments will focus on organizational development, communications, and other leadership issues, to facilitate development of a high-performing organization. Assessments and recommendations will be provided to me for presentation to the Secretary/Deputy Secretary.

- **Represent the Department of Energy on the Chief Acquisition Officers Council.**
 - ◆ Pursuant to the advice provided by Office of Management and Budget Memorandum M-04-13, dated May 25, 2004, the Senior Procurement Executive/Deputy will, from time to time, represent the CAO at the CAO Council.