Department of Energy
Washington, DC 20585

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MEMORANDUM FOR PROCUREMENT DIRECTORS
PURCHASING MANAGERS
SITE AND FACILITY MANAGEMENT CONTRACTORS

FROM: PAUL BOSCO
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NATIONAL NUCLEAR SECURITY ADMINISTRATION

SUBJECT: Change to Procurement Evaluation & Re-Engineering Team Review Cycle and Contract Types Subject to Independent Review

The Department of Energy (DOE), the National Nuclear Security Administration (NNSA), and their respective site and facility management contractors employ the Independent Peer Review Program for contractor purchasing systems on Management and Operating (M&O) Contracts.

Due to the success of the Procurement Evaluation & Re-engineering Team (PERT) reviews, the mandatory review time is changed from every three years to every five years. The number of findings has steadily decreased since the start of the PERT program. This has resulted in a higher degree of confidence in DOE contractor purchasing systems and a reduced need to conduct PERT reviews every three years. Unnecessarily maintaining the current 3 year PERT review requirement is also unwarranted during this time of decreasing budgets and personnel resources.

Contracting Officers are still required to make an assessment of the need for a PERT review every three years in accordance with FAR 44.302(b). Contracting Officers are also allowed to request a PERT review at anytime based on identified high risk factors such as contractor change to baseline, major changes in subcontractor purchasing systems, findings from internal audits and indications of fraud, waste and abuse. If a determination is made that a PERT review is needed before the next cycle, please advise the PERT co chairs and a review will be scheduled as appropriate.

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This memo also provides clarification that mandatory PERT reviews are limited to M & O contracts only.

The applicable DOE and NNSA policies and regulations will be changed accordingly for 2014. The 2013 PERT review schedule will remain unchanged.

Please contact Mike Larson at 202-287-1426, email: Michael.Larson@hq.doe.gov if you have any questions.