

Contract and Project Management Summit

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- Summit Held December 2010
- Sponsored by Deputy Secretary Poneman
- Objective: Identify Challenges and Develop Solutions
- Attended by Senior Department Leadership, FPDs, HCAs, PDs, COs, Attorneys, Lab Directors, etc.
- Generated Healthy Discussion and Recommendations
- Teams Have Been Chartered to Take Actions to Address Recommendations



Summit Goals and Objectives

Goal: Continue to improve contract and project management and strengthen alignment.

Objectives:

- Highlight issues that may impede contract and project management excellence and identify new issues.
- Discuss and assess the reasons why these issues exist.
- Propose some specific corrective actions that may be taken to address the issues.
- Define success and propose metrics to measure success.



Expected Outcomes

- Develop a course of action to address the most significant contract and project management issues
- Charter Departmental teams, as appropriate, for issues requiring further study
- Communicate the solutions to mitigate and/or eliminate the issues
- Implement solutions across the complex for consistent and sustainable improvements



Summary of Issues

- Project and Contract Alignment and Change Control Including “Truing-Up” Contracts
- Program/Project Prioritization and Funding Alignment
- Contract Administration (Surveillance and Oversight)
- Roles and Responsibilities of Contracting Officers and Contracting Officer Representatives
- Adequate Project and Contract Management Staffing
- Accountability – Aligning Incentives



Contract and Project Management Issue Statements



Project and Contract Alignment and Change Control Including “Truing-Up” Contracts

Federal Project Directors (FPD) and Contracting Officers should ensure project performance baselines and contracts are updated and aligned in a timely and efficient manner. The process of “truing-up” contracts should be improved to avoid substantial increases in contract costs within months of initial contract award.



Program/Project Prioritization and Funding Alignment

There is no consistent, disciplined and documented approach within (and across) each Program (and NNSA) on how capital asset projects are prioritized and how an integrated priority list (IPL) is established. This may result in a lack of alignment between budget (program) decisions and project priorities across the life of each project.



Contract Administration (Surveillance and Oversight)

The Department does not consistently and aggressively conduct thorough and complete contract administration. The lack of a robust process degrades the ability to deliver products and services on time at the negotiated price.



Roles and Responsibilities of Contracting Officers and Contracting Officer Representatives

The roles, responsibilities, and authorities of Contracting Officers (CO) and Contracting Officer Representatives (CORs) at Departmental site and area offices are not clearly defined. CORs often lack the required training and certification and in some circumstances exceed delegated authority.



Adequate Project and Contract Management Staffing

The Department and Programs have developed several capital asset project staffing models to identify the appropriate range of personnel assets required to adequately manage and oversee individual capital asset projects. However, given the current fiscal environment, the Department may not have the budget resources to obtain the appropriate personnel assets.



Accountability - Aligning Incentives

The Department does not consistently hold people accountable, both federal and contractor personnel, for project performance, and too often pays award fees to contractors that are not consistent with project performance and acquisition outcomes.



Current Status and Next Steps

- *Strategy for Improving Contract and Project Management* paper has been developed
- Teams have been formed to take on each issue and have developed POA&Ms
- Implementation of Solutions