

Headquarters Policy Flash

FLASH 2000-18

DATE: June 19, 2000
TO: Procurement Directors
FROM: Office of Procurement and Assistance Policy, MA-51
Office of Procurement and Assistance Management

SUBJECT: APPROVAL OF DEVIATION REQUESTS

For the past several years, the Department has been subject to a statutory prohibition regarding the use of appropriated funds to award or modify a Department of Energy contract which contains a deviation from a provision or clause prescribed by the Federal Acquisition Regulation. This prohibition applies unless the Secretary of Energy authorizes, on a case-by-case basis, such a deviation; and it is applicable to both management and operating (M&O) and non-M&O contracts. Section 302 of the FY 2000 Energy and Water Act also requires that the Department notify the Subcommittees on

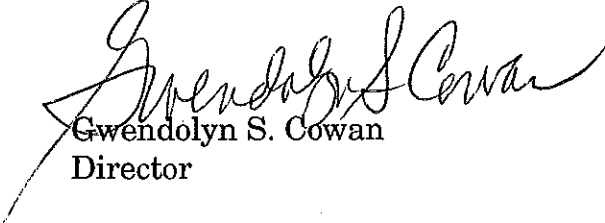
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Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate at least 60 days prior to the award or modification of a DOE contract which contains a provision or clause which deviates from that prescribed in the FAR, and the reasons therefore. Acquisition Letter 99-07 was issued to implement the FY2000 requirement for this legislative provision.

To strengthen both Headquarters and field contracting activity processes for reviewing and approving deviations to the Department's contracts, the Procurement Executive had also issued Acquisition Letter 99-05, Deviations, Local Clauses, Uniform Contract Format, and Clause Matrix, dated July 9, 1999. The procedures provided guidelines on which deviation requests must be forwarded to Headquarters for review and approval by the Procurement Executive, and in the case of FAR deviations, the Secretary of Energy. The procedures also required that all facility management contract deviations must be approved by the Procurement Executive, as well as certain other deviations, including those to the cost principles and cost accounting standards.

Please ensure that your staff is reminded of the requirements cited in Acquisition Letters 99-05 and 99-07 and that deviation request packages are submitted to the Office of Management Systems (MA-52) for personal review and approval by the Richard Hopf. In addition, you are reminded that page 6 of Acquisition Letter 99-05, requires the Head of Contracting Activity (HCA) to provide my office a copy of each approved deviation and the supporting information. Documentation should be sent electronically to Michael.L.Righi@hq.doe.gov

Thank you for your continued support.



Gwendolyn S. Cowan
Director