



ACQUISITION LETTER

This Acquisition Letter is issued under the authority of the Procurement Executives of DOE and NNSA

Subject: Site Utilization and Management Planning

References:

FAR Part 7	Acquisition Planning
FAR Part 34	Major System Acquisition
Acquisition Guide	Chapter 7.1, Acquisition Planning
Acquisition Guide	Chapter 42.5, Contract Management Planning

When is this Acquisition Letter (AL) Effective?

This AL is effective 10 business days from the date of issuance.

When Does This AL Expire?

This AL remains in effect until superseded or canceled.

Who is the Point of Contact?

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Visit our website at www.pr.doe.gov for additional information on Acquisition Letters and other policy issues.

What is the Purpose of this Acquisition Letter?

The purpose of this Acquisition Letter (AL) is to provide information and procedural guidance on the development of the Site Utilization and Management Plan (SUMP) in relation to a Site's alignment to the overall acquisition strategy and linkage with other lifecycle acquisition planning tools, such as the contract management plan, or performance evaluation management plan. Documentation of this information is a condition for awarding any contract for the management and operation, integration, restoration, or privatization of functions at a DOE site. A SUMP is not required for a

NNSA M&O Site. However if a DOE M&O Site provides services for a NNSA DOE Site, a SUMP is required.

What is the Background?

The Department has identified institutional site planning as a prerequisite to acquisition planning and major procurement decisions. Often, DOE sites have program responsibilities to multiple program offices. As a result, each year additional responsibilities may be added while others are deleted. These changes complicate the process of developing an appropriate site specific acquisition strategy. One DOE program's goals may be in direct competition with another for the limited resources available at a particular DOE site.

Institutional planning permits "buy-in" by all affected stakeholders by identifying the affected program offices and describing a management approach for successful completion of the anticipated work at a particular site. The SUMP process is intended to identify alternative acquisition strategies specifically designed to achieve interrelated mission objectives. This AL provides guidance for the development and coordination of the SUMP prior to initiation of the acquisition process.

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I. Why is it Necessary to Develop Site Utilization and Management Information?

No major acquisition at a give DOE site can stand on its own. It is merely a part of a larger strategy designed to carry the site from the present to its ultimate goal such as remediation, closure, or continuing to perform the existing mission or a modified mission. No business strategy can be adopted for a specific procurement unless the Head of the Contracting Activity, the contracting officer, the program managers, and all others involved are aware of the part the individual acquisition will play in attaining the site's mission. Many DOE sites have responsibilities to more than one DOE program. Each program may have its own plan for activities at the site; however, those individual activities must be considered in the context of all of the other programs at the site to establish one master strategy for the attainment of the site's mission. In addition, the missions at the site may change yearly, with significant potential effects on planned acquisitions.

It is not in DOE's interest that each program plan to accomplish its mission and account for its budget in isolation, not recognizing the effects on the sites upon which it relies. Major changes in mission or organization of a site may occur. A danger exists that a requirement may be solicited and a contract awarded, but actually be at odds with the site's ultimate goal.

Site utilization and management information brings together in one document the long term (5-10 year) objectives of the DOE site with the business strategy for attaining it. The information is necessary to record the parts the various DOE organization, program, site, and support offices will play and to reconcile the intention of each of those participants.

Site utilization and management information must represent the coordinated perspective of the Department's senior management. It may be developed from existing plans or generated as a new plan. The documentation will provide a single structure, approved by all involved participants, for pursuit of DOE's mission at each site. It should include the DOE Strategic Plan, Site Institution Plan, Budget, Program Plans and Field Office Plans.

A DOE contracting officer may not award any management and operating contract, or other contract subject to this AL, either competitively or noncompetitively, or through the exercise of an option, unless the requirements is derived from, and the acquisition strategy is consistent with, site utilization and management information approved by senior management.

II. What Impact Does this Process Have on Acquisition Planning?

Acquisition planning must be a process of meeting DOE's needs with regard to the site. Each proposed acquisition must be analyzed in light of site utilization

and management requirements. Although a requirement may have previously been acquired using a certain statement of work in a certain manner does not assure that the previous method is still in the Department's best interest. A restructuring of a requirement may be more appropriate.

The SUMP should address the establishment of realistic cost, schedule, and performance goals for each planned acquisition; proceeding with a historical acquisition approach or restructuring the acquisition method to reflect modified requirements at a particular site. It should include a summary level discussion on the integration of program scope, schedule, cost objectives, and the establishment of performance data into a baseline plan for accomplishing program objectives during the execution phase. The type of contract or other strategy may need to be changed to fit the then known needs of the site.

III. When Must the Information be Developed?

Site utilization and management information for an individual DOE site must be completed prior to the development of an acquisition plan. This includes noncompetitive or competition of a contract for management and operation, integration, environmental restoration, and privatization of any significant function at the site. Once adopted, the SUMP should be revised to reflect any changes in the site's mission.

IV. Who has the Responsibility to Develop the Information?

The Cognizant Secretarial Officers (CSOs) are responsible for the development and documentation of site utilization and management planning information. In fulfilling this responsibility, CSOs should work closely with the Lead Program Secretarial Officer (LPSO) for the site, the manager of the operations office, other offices having programs as the site, and support offices.

V. How Should the Information be Documented?

Site planning requirements or activities that already exist within the Department need not be duplicated. This requirement does not demand a specific report or documentation format, however it does require the completion of site planning and the provision of certain information prior to the development of acquisition plans for certain types of DOE requirements. To the extent that such a planning process already exists, it should be leveraged so that the requirements stated herein is satisfied in one document serving two or more functions. Conversely, if the information exists in multiple planning documents, the specific site utilization and management information may be extracted from them.

VI. What Information is Included in the Site Utilization and Management Plan?

The SUMP should address the mission of the site and the activities (current and projected) each program provides in support of that mission in order to track mission related performance objectives for each DOE program supported at the site over the next 5-10 years. Years one and two are discussed with greater specificity than years 3-5. There should also be a clear link between budget and performance.

The Site Utilization and Management Plan should include:

1. A discussion of the site's responsibilities under the DOE Strategic Plan.
2. An identification of the DOE Program Office(s) supported and a detailed description of the activities involved and their intended objectives.
 - a. Projection of business line activities, e.g., new and developing missions or significant changes to the current mission, including any reduction or expansion.
 - b. Interrelationship among various business line activities, including identification of their relative significance and reconciliation of competing mission objectives and any other open issues.
 - c. Any internal or external events that may affect site operations.
 - d. Any local area considerations.
 - e. Single program site discussion connecting budget, acquisition, and mission related performance data.
3. The current and planned budget necessary to accomplish each of the performance objectives of all site contained programs (to include contingency plans to deal with the effect of reduced appropriations).
4. A discussion of the management approach to be employed to control changes to the work as planned and the assignment of unexpected work.
5. A discussion of available infrastructure at the site to support each program, assuming full integration of site program, planning, management, and assessment.
6. A discussion of the current "contractual configuration" and future plans for meeting Departmental responsibilities, including any potential "privatization" of site functions

7. All proposed acquisitions and their effect (e.g., those procurements continuing as initially planned and any new procurements added to those already existing, in order to meet the site's mission).

VII. How is a Site Utilization and Management Plan Processed and Approved?

The Cognizant Secretarial Officers (CSO) are responsible for the development and coordination of the SUMP. The following process describes the approval and concurrence review of the SUMP (see the attached process map).

- The CSO should submit a SUMP 24-30 months prior to the preparation and submission of the acquisition plan required for approval by the Office of Contract Management (MA-62). This timeline is critical to meeting the acquisition milestones.
- The CSO approved SUMP should be reviewed and concurred by the Lead Program Secretarial Officer (LPSO), the Site Manager, Support Offices, and other program sponsors before submission for review to the Senior Procurement Executive (SPE).
- The fully coordinated SUMP is submitted to the Senior Procurement Executive (SPE) through the Office of Contract Management (MA-62) for review and concurrence and the Deputy Secretary in the capacity of the Department's Chief Operating Officer for approval.
- Once final approval of the SUMP by the Deputy Secretary is received, the CSO may initiate the acquisition planning process, integrating the approved SUMP into the Acquisition Plan.