



U.S. DEPARTMENT OF  
**ENERGY**

OFFICE OF  
**ENVIRONMENTAL  
MANAGEMENT**

# Waste Management 2014

## Keeping Projects and Contracts Aligned

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## Varying Philosophies on Contract and Project Management

- You can only do it if the book says you can
- You can do it unless the book says you can't
- Book? What book?



## Resources for Contract and Project Management: “The Book(s)”

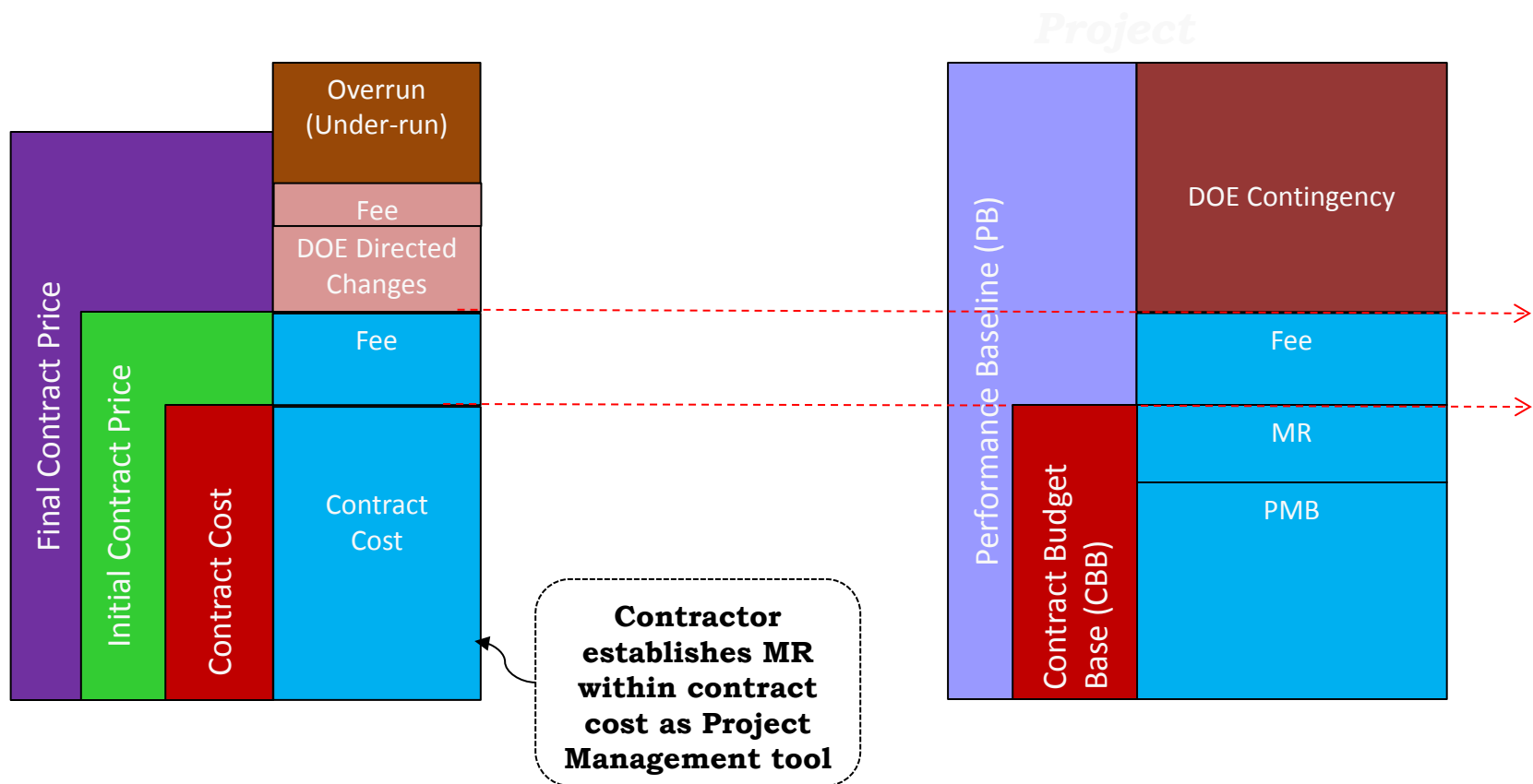
- The contract (i.e. “what does the contract say?”)
- Federal Acquisition Regulation (FAR)
- Department of Energy Acquisition Regulation (DEAR)
- DOE Order 413.3B and associated guides

- Post-award Transition from Incumbent Contractor
  - First 60-90 days:
    - “True-up” assessment – reconcile contract scope projections to actual incumbent contractor performance status
    - Establish business systems if new Joint Venture (common)
    - Workforce restructuring
  - First 6 months:
    - Receive certification on EVMS implementation
    - Establish full contract Performance Management Baseline
    - Performance Evaluation Management Plan (PEMP)

# Keep Projects/Contracts Aligned

- Only Contracting Officer directs changes to the contract
  - Contractor takes no action unless contract is modified
  - CO can issue unilateral modification if work is urgent
  - Bilateral modification reflecting agreement between the parties is PREFERRED
  - Contract changes priced and on contract within 6 months
- Contract Change Proposal:
  - Address only changes
  - Do NOT re-propose on unchanged work
- Certified Cost & Pricing Data Required (FAR 15.403-4(a)(iii))
- Approval of Project Critical Decision NOT a contract action

## Contract and Project Baselines



- Potential Changes to work scope requirements come from 3 basic sources:
  - DOE policy revisions, e.g., implementation of law/regulation change impacting DOE, DOE Order, Directive or Other DOE/EM Policy Issuance
  - Project Requirements Revisions, e.g., determined via DOE O 413.3B Critical Decision, emergent site or GFSI availability issues, technology innovations, funding profile or schedule revisions, etc.
  - Contractor-identified issues, including differing site conditions

# Keep Projects/Contracts Aligned

- PROSPECTIVE changes are NOT actual changes –
  - The Federal Project Director’s (FPD) project baseline is not changed until a Baseline Change Request is approved within DOE
  - The contract is not changed until the Contracting Officer (CO) issues a modification
  - Project IPT knowledge/contractor awareness of Project Changes is good communications & signals future changes are likely, but ...
  - The Contractor SHALL NOT revise contract performance until CO-issued modification authorizes/directs new/revised performance



# Keep Projects/Contracts Aligned

- DOE Guide 413.3-20, Change Control Management Guide, provides guidance for ensuring coordination of FPD Project Baseline Changes and Contract Changes:
  - Project change occurs -> resultant contract mod occurs timely
  - Contract change needed -> project baseline is updated
  - Therefore, contract alignment to FPD Project Baseline requires Baseline Change Request first, implementing contract modification follows:

- DOE Guide 413.3-20 requires timely implementation of contract modifications, normally within 180 days of Change
- Best Practice:
  - Identify prospective change; solicit/obtain contractor change proposal
  - Negotiate contract price/schedule impact per “Changes” clause (do not implement via mod yet)
  - Process FPD Baseline Change Request supported by negotiated impact to contract
  - Baseline Change Request approved
  - Contracting Officer issues priced change implementation within 180 days