



DATE: December 19, 2012

TO: Procurement Directors

FROM: Director
Contract and Financial Assistance Policy Division
Office of Policy
Office of Acquisition and Project Management

SUBJECT: Aligning Contract Incentives for Capital Asset Projects

SUMMARY: On December 13, 2012, the Deputy Secretary issued the attached memorandum to the Heads of All Departmental Elements addressing how the Department can attain optimal alignment of contract incentives. The memorandum and its attachment establish two primary principles—align contractor with taxpayer interests and structure contracts so contractors bear the responsibility for their actions—and provide amplifying guidance to ensure the Department consistently applies the principles. The Office of Acquisition and Project Management will assist programs with implementation by providing applicable contract clauses to ensure consistency in implementation and use.

This Flash will be available online at the following website:
<http://energy.gov/management/office-management/operational-management/procurement-and-acquisition/policy-flashes>.

Questions concerning this policy flash should be directed to Michael Righi of the Contract and Financial Assistance Policy Division, Office of Policy, Office Acquisition and Project Management at (202) 287-1337 or at Michael.Righi@hq.doe.gov.

Attachment

