



APD ALERT

Improving Government Acquisition Savings 2009

The Office of Management and Budget (OMB) issued memorandum M-09-025, "Improving Government Acquisition" (July 29, 2009), providing guidance on reviewing existing contracts and acquisition practices. The memorandum can be found at: http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m-09-25.pdf.

The memorandum requires agencies to review their existing contracts and acquisition practices and develop a plan to save 7 percent of baseline contract spending by the end of FY 2011; and reduce by 10 percent the share of dollars obligated in FY 2010 under new contract actions that are awarded with high-risk contracting authorities (e.g., noncompetitive, cost-reimbursement, time-and-materials and labor-hour contracts). Contracting Officers (CO's) are reminded to use sound business judgment when employing one of these high-risk contracting authorities. CO's shall not use these authorities simply for the sake of expediency or due to any outside pressures that would prevent the best business decision.

Acquisition, program, and project officials should collaborate to determine the best methods and practices to attain optimum acquisition efficiencies as well as appraise the degree of a program's and/or project's effectiveness and sustain those that are most favorable or advantageous to the government.

Headquarters is currently in the process of developing a list of acquisition savings to be reported to the Department. Areas/locations should identify any acquisition or program related savings as described in OMB's memo and forward them to the contact listed below.

Any questions regarding this Alert can be directed to Michael Barnes at 301-504-1734 or via e-mail at Michael.Barnes@ars.usda.gov.

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