



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

OFFICE OF FEDERAL
PROCUREMENT POLICY

October 27, 2006

MEMORANDUM FOR CHIEF ACQUISITION OFFICERS
SENIOR PROCUREMENT EXECUTIVES

FROM:

Paul A. Denett
Administrator

SUBJECT:

Ethics and Working with Contractors

Contractor performance is essential to accomplish almost every aspect of your various missions, including responding to emergencies. We are in a new contract environment with a much greater reliance on service contracts and, increasingly, government employees work alongside contractor personnel in a “mixed workplace.”

Nearly all government and contractor personnel adhere to high ethical standards and strive for efficiency and delivering best value to the government. Unfortunately, a few have not. All too often, we hear about instances of ethical misconduct, rather than the great contracting success stories where our contracting officers shine. I am very proud of them and will be calling on you to help publicize these success stories.

We rely on contractors to provide innovative and less costly solutions to the challenges we face. However, we must always be vigilant to protect the integrity of the process. We owe that to the taxpayers and the businesses, small and large, that compete for government contracts. It is also important that we comply with the various laws, regulations, and standards of conduct that apply to government employees and contractors. We must never forget that government employment is a public trust, and we need to avoid even the appearance of a conflict of interest.

With these thoughts in mind, I ask that you –

- Emphasize the importance of compliance with laws, regulations, and standards that prescribe ethical conduct in acquisitions and working with contractors and contractor employees;
- Distribute Office of Government Ethics guidance (“Ethics and Working with Contractors – Questions and Answers,” DO-06-023, dated August 9, 2006, attached); and
- Cooperate fully with the National Procurement Fraud Task Force, established by the Justice Department to promote early detection, prevention, and prosecution of procurement fraud.

Thank you for your help and attention to this important matter.

cc: The Office of Government Ethics
The National Procurement Fraud Task Force

Attachment -- DAEOgram -- DO-06-023 -- Ethics and Working with Contractors - Questions and Answers