MEMORANDUM

To: NIH Executive Officers

 NIH Acquisition Community

 NIH Project Officers

Intramural and Extramural Administrative Management Committee Chairs

From: Director, Office of Acquisition and Logistics Management, NIH

Subject: Moratorium on Award Obligations for Conference Support

A DHHS-wide moratorium has been placed on the obligation of funds through contracts, task orders and purchase orders for conference support, regardless of the type of appropriation or funding source. The moratorium will be effective for a two-month period, December 7, 2012 through February 7, 2013.

The moratorium has been established to allow DHHS to begin the process of: addressing the significant variability in spending for conference support across the Department; establishing parameters to assist OPDIVS in ensuring reasonable pricing for conference support services; and, achieving efficiencies through movement toward a level of standardization in both the terms and conditions used in conference-related awards and through the use of strategic sources.

This moratorium does not apply to:

* Non-HHS Conferences
* HHS Conference Grants
* Conferences that are supported through an obligation made to a contract, task order or purchase order, provided the obligation was made on or before December 7, 2012 and a request for approval of the conference was submitted and approved at the appropriate level(s).
* Conference requests below $25,000 that were signed by the IC Executive Officer on or prior to December 7, 2012, regardless of the date of the obligation.
* Conference requests at or above $25,000 that were signed by the IC Executive Officer on or prior to December 7, 2012 and submitted to OD/NIH for approval.
* Meetings that are not considered conferences under the June 15, 2012 policy

<http://oamp.od.nih.gov/ContractToolBox/SpendingPolicy.asp>

* (Webinar services that are not associated with a conference

In addition to the exclusions above, an exception to the moratorium may be requested for any conference requiring the obligation of funds during the moratorium period. Requests for exceptions will follow the same approval and threshold requirements as defined in the June 15, 2012 policy, but should include, as an attachment to the request, a justification that explains why the obligation of funds to support the requested conference is required to be made during the period of the moratorium. Only requests for exceptions to the moratorium may be submitted during the period of the moratorium. Routine requests for approval of conferences will not be processed.

Requests for approval of exceptions should be mindful of the following areas highlighted by DHHS as requiring special attention:

* Except in rare circumstances, conference support services should be acquired on a fixed-price type basis.
* Contract/purchase order terms and conditions should not permit contractor acceptance of “complimentary services” i.e., room upgrades.
* Audio visual (A/V) requirements should be limited to those determined essential and reasonable to the conduct of the conference activity. Market research should be conducted to support proposed A/V costs.
* Cancellation costs associated with contractor support and venue should be minimized. The NIHCATSII (Conference, Administrative, and Travel Services) contracts contain appropriate cancellation terms and conditions that are designed to minimize the Government’s liability. Use of these contracts is highly recommended. Refer to <http://nihcatsii.olao.od.nih.gov/> for additional information.

During this two month moratorium, the Office of the Secretary will move immediately to bring together a working group with representatives from every OPDIV and STAFFDIV to define HHS-wide guidance in the areas mentioned above. Additional guidance will be disseminated once it is made available.

Questions regarding this memorandum should be directed to EfficientSpendingPolicy@NIH.gov.

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Diane J. Frasier