BACKGROUND: This update reports DoD contractor personnel numbers in theater and outlines DoD efforts to improve management of contractors accompanying U.S. forces. It covers DoD contractor personnel deployed in Afghanistan (Operation Enduring Freedom (OEF), Iraq, and the U.S. Central Command (USCENTCOM) area of responsibility (AOR).

KEY POINTS:
In 2nd quarter FY 2012, USCENTCOM reported approximately 153,000 contractor personnel working for the DoD in the USCENTCOM AOR. This was approximately a .6% increase from the previous quarter. The number of contractors outside of Afghanistan and Iraq make up about 16% of the total contractor population in the USCENTCOM AOR. A breakdown of DoD contractor personnel is provided below:

<table>
<thead>
<tr>
<th>DoD Contractor Personnel in the USCENTCOM AOR</th>
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</thead>
<tbody>
<tr>
<td>Total Contractors</td>
</tr>
<tr>
<td>Afghanistan Only</td>
</tr>
<tr>
<td>Iraq Only*</td>
</tr>
<tr>
<td>Other USCENTCOM Locations</td>
</tr>
<tr>
<td>USCENCOM AOR</td>
</tr>
</tbody>
</table>

*Includes DoD contractors supporting U.S. Mission Iraq and/or Office of Security Cooperation-Iraq

Afghanistan Summary

- The distribution of contractors in Afghanistan by contracting activity are:
  - Theater Support - Afghanistan: 20,226 (17%)
  - LOGCAP: 32,653 (28%)
  - U.S. Army Corps of Engineers: 15,222 (13%)
  - Other:* 49,126 (42%)
  - Total: 117,227


- OEF Contractor Posture Highlights:
  - There are currently approximately 117.2K DoD contractors in Afghanistan. The overall contractor footprint has increased 3.2% from the 1st quarter FY12.
The contractor to military ratio in Afghanistan is 1.18 to 1 (based on 99.2K military). Local Nationals make up 38% of the DoD contracted workforce in Afghanistan.

**Iraq Summary**

- Contractor Posture Highlights:
  - There was a 54% decrease in the number of DoD contractors as compared to the 1st quarter 2012 due to the end of Operation New Dawn and the transition of authority to the Chief of Mission.
  - The Department of Defense and Department of State continue to refine the requirements for contract support. We project that by the end of FY 2012, the USG contractor population in Iraq will be approximately 14K. Roughly half of these contractors are employed under Department of State contracts. Although the remainder are employed under DoD contracts, only approximately 4,000 will be directly supporting DOD mission areas. The remaining contractor personnel employed under DoD contracts are supporting State Department and other civilian activities under the Chief of Mission, Iraq. These DOD contractors are provided on a reimbursable basis.

**General Data on DoD Private Security Contractor Personnel in Iraq and Afghanistan**

- Private security contractors perform personal security, convoy security, and static security missions. Not all private security contractor personnel are armed.

- In Afghanistan, The Afghan Public Protection Force (APPF) Advisory Group is developing the planning for contracts to transition to the APPF in accordance with Presidential Decree 62. The original intent was for all convoy and development contracts to transition by 20 March 2012, however, this was not completed and the APPF Advisory Group has established a transition plan to facilitate the transition of security for development sites and convoys over the next 90 days. International Security Assistance Force (ISAF) fixed site and military construction PSC contracts have until 20 March 2013 to be transitioned to the APPF.

- USCENTCOM reports, as of 2nd quarter FY 2012, the following distribution of private security contractors in Afghanistan and Iraq:

<table>
<thead>
<tr>
<th>DoD Private Security Contractor Personnel in Iraq and Afghanistan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>-----------</td>
</tr>
<tr>
<td>DoD PSCs in Afghanistan</td>
</tr>
<tr>
<td>DoD PSCs in Iraq</td>
</tr>
</tbody>
</table>

*These numbers include most subcontractors and service contractors hired by prime contractors under DoD contracts. They include both armed and unarmed contractors. They do not include PSCs working under DoS and USAID contracts.*
General Conditions Regarding Contracts and Contractor Personnel

- The Combatant Commander has provided specific guidance on arming contractor personnel and private security contractors in the USCENTCOM AOR through a series of Fragmentary Orders (FRAGOs) and other authoritative guidance, including the following:

  - Private security contractor personnel are not authorized to participate in offensive operations and must comply with specific USCENTCOM Rules for the Use of Force (RUF). Under these RUF, private security contractor personnel are authorized to use deadly force only when necessary in: self-defense, defense of facilities / persons as specified in their contract; prevention of life-threatening acts directed against civilians; or defense of Coalition-approved property specified within their contract.

  - Private security contractor personnel in Afghanistan and Iraq must be properly licensed to carry arms in accordance with host nation law and must receive USCENTCOM / Coalition Forces’ approval of their operations. DoD contractor personnel armed by DoD authority must report any use of force, including the firing of a weapon. This requirement and the required information to be submitted are identified within the terms of the contract, USFOR-A OPLAN 09-01, and Office of Security Cooperation-Iraq (OSC-I) policy.

Improvements to Management and Oversight of DoD Contractors

- Publication of DoD Instruction (DoDI) 3020.41. A revised version of DoDI 3020.41, “Operational Contract Support,” formerly entitled “Contractor Personnel Authorized to Accompany the U.S. Armed Forces,” was signed on December 20th, 2011. This version contains significant changes to the previous instruction including: (1) incorporation of lessons learned from current operations; (2) requirements for the development of contractor oversight plans; (3) requirements for adequate military personnel necessary to execute contract oversight; and, (4) standards of medical care for deployed contractors. Further, it reiterates the importance of the use of a common database for the accountability and visibility of contractors supporting DoD contingency operations.


  - Business and operational standards for private security contractors (which were required by Section 833 of the FY2011 NDAA) are now complete and were validated by the American National Standards Institute (ANSI) in early March 2012. Work on the associated conformance standard to enable third party certification is estimated to be complete at the end of April 2012.

  - Standards and provision for third party certification in Section 833 of the FY 2011 NDAA will facilitate identifying technically acceptable contractors and best value which: enables expedited contract award; mitigates risk of delay of services due to contract award protests; and, mitigates risk of contractor non-performance or misconduct in critical early phases of contingency operations.

- Joint Theater Support Contracting Command (JTSCC). JTSCC has centralized oversight and authority to ensure all contracts executed in Iraq, Afghanistan, Pakistan and Kuwait are visible and in compliance with contracting policy and procedures. JTSCC headquarters is

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located in Qatar and facilitates broader theater contracting oversight functions. There are two Flag/GO officers assigned to JTSCC; the Commander and the Senior Contracting Officer (SCO) in Afghanistan.

- **JP 4-10 (Operational Contract Support)**. The Joint Staff J4 has established a working group to embark on the revision of JP 4-10 (Operational Contract Support) which serves as the doctrine for planning, conducting, and assessing operational contract support integration and contractor management functions in support of joint operations. Writing teams are currently staffing draft revisions to this doctrine which was originally published in October, 2008.

- **DoD Directive (DoDD) 3020.49 on Orchestrating, Synchronizing, and Integrating Program Management of Contingency Acquisition Planning and its Operational Execution** was signed on March 24, 2009. It establishes policy and assigns responsibilities for program management for the preparation and execution of acquisitions for contingency operations, and for the accountability, integration and management of all contractors supporting the DoD and all USG PSCs operating in an area of contingency operations.

- **DoDI 3020.50, “Private Security Contractors (PSCs) Operating in Contingency Operations, Humanitarian or Peace Operations, or Other Military Operations or Exercises”** was signed on August 1, 2011. On August 11, 2011, a final rule entitled “U.S. Government Private Security Contractors Operating in a Contingency Operations, Combat Operations or Other Significant Military Operations,” applying to all US Agencies, was published in the Federal Register. This Rule / DoDI prescribes the selection, accountability, training, equipping, and conduct of personnel performing private security functions under a covered contract in a designated area of combat operations for both DoD and other agency PSCs. It also prescribes incident reporting, use of and accountability for equipment, RUF, and a process for the discipline or removal, as appropriate, of USG PSC personnel. The DoDI responds to requirements of section 862 of the FY 2008 NDAA as amended.

- **Operational Contract Support (OCS) Functional Capabilities Integration Board (FCIB)**. This senior executive-level governance forum was chartered by the Under Secretary of Defense (Acquisition, Technology & Logistics), in March 2010 to provide strategic leadership to multiple stakeholders working to institutionalize OCS. Co-chaired by the Deputy Assistant Secretary of Defense (Program Support) [DASD(PS)] and Joint Staff, Vice Director J-4, the FCIB convenes quarterly (or as required) to address strategic issues directly impacting current and future contingency operations. The 2nd Quarter FY12 FCIB Principals meeting was held on February 28, 2012. Key topics of discussion included: 1) DoD progress toward implementing applicable recommendations from the final report of the Commission on Wartime Contracting in Afghanistan and Iraq, 2) DASD (PS) proposed changes to DoD Strategic Guidance, and 3) emerging issues from the Contingency Business Environment (CBE) Systems and Tools Joint Working Group. The Board also appointed a small working group to develop a strategy to address the Commission’s recommendation to create a deployable DoD civilian cadre to provide acquisition management, contractor oversight, and support functions during contingency operations. The next FCIB Principal’s meeting will be held on June 12, 2012. For additional information please contact the Board Secretariat at PS_FCIB@osd.mil.

- **Joint Contingency Acquisition Support Office (JCASO)**. DASD (Program Support) has institutionalized this organization to perform program management of Operational Contract
Support (OCS) policy and doctrine, as well as operational synchronization of theater related contracting support planning efforts. JCASO is an on-call joint enabling capability providing OCS coordination and integration during peacetime and contingency operations. Planning, implementation, and oversight of OCS are Commander's responsibilities and are essential to supporting and monitoring the contractor element of the DOD Total Force. JCASO has deployed a Mission Support Team during real-world operations (i.e. most recently at the request of AFRICOM in support of executing Operation ODYSSEY DAWN) and may be called upon in future contingencies to assist a Combatant Command or Joint Task Force in establishing a joint construct for contracting support. JCASO also has the capability available, upon request, to provide OCS management and coordination to Commanders during peacetime and contingency operations. JCASO is also an essential part of DLA's combat support agency (CSA) role to support the mission objectives of the combatant commands, the Chairman, Joint Chiefs of Staff Title 10 responsibilities, as well as the Office of the Secretary of Defense for OCS policy development. Recent examples of JCASO missions include: a) facilitating USCENTCOM's theater engagement strategy in the South Caucasus and Central Asian States by assisting in the expansion of contract support in those countries, which enhances USCENTCOM's use of a Northern Distribution Network (NDN) to support OEF; b) participating in the Afghanistan Contracting Transition Workgroup (ACTW) to help plan the effective handoff of contracted support efforts from DoD to DoS at the appropriate time; and c) incorporating OCS into the operational training of the next forces into Afghanistan through participation in Exercise Unified Endeavor.

- **Chairman of the Joint Chiefs of Staff Notice (CJCSN) 4130.01.** "Guidance for Combatant Commander Employment of Operational Contract Support Enabler-Joint Contingency Acquisition Support Office (JCASO)" was signed on December 20, 2011. It recognizes the role of JCASO as providing Geographic Combatant Commands and their subordinate commands with a capability to integrate, implement, manage, and execute OCS activities to improve DoD efficiency and effectiveness across the Total Force.

- **JCASO Concept of Operations (CONOPS).** A detailed CONOPS is being developed to further convey JCASO's mission, role, and responsibility in OCS, to satisfy Combat Support Agency Review Team findings, and to compliment the CJCSN 4130.01. It will detail how JCASO engagement can help improve effectiveness and efficiency in managing OCS across DoD and whole of government. It is expected to be completed by 3rd Quarter FY12.

- **JCASO Planners.** Fourteen (14) JCASO planners are allocated among the Geographic Combatant Commands to assist the commander in identifying gaps where contractor support capability may be required. They then help to integrate required contractor support into operational plans and synchronize requirements with subordinate commands, the Military Departments, Defense Agencies, other USG Agencies, and coalition partners. The Secretary further directed an additional 146 planners / analysts to be integrated into the total force. The planners have been instrumental in integrating OCS into Combatant Command plans. In USCENTCOM alone, the planners were fundamental in the establishment of the JTSCC, planning the DoD to DoS transition in Iraq, Pakistan humanitarian efforts, increased operations in Afghanistan, as well as other critical operations supporting USCENTCOM’s theater engagement strategy.

- **Memorandum of Understanding between DoS, DoD and USAID Relating to Contracting in Iraq and Afghanistan.** Section 861 of the NDAA for FY 2008 requires the identification of
common databases among the DoD, DoS, and USAID to serve as repositories of information on contracts and contractor personnel in Iraq and Afghanistan. The Memorandum of Understanding (MOU) was signed on July 8, 2008. In it, the Agencies agreed that SPOT will serve as the single interagency database for information on contractor personnel. An updated MOU was signed on April 7, 2010 which incorporates legislative requirements from sections 854 of the FY 2009 NDAA and 813 of the FY 2010 NDAA.

• **Synchronized Predeployment and Operational Tracker (SPOT).** We continue our transition from manual accounting of contractor personnel to SPOT, a web-based, database tool designed to track contractor personnel and contractor capability in theater. A SPOT-generated Letter of Authorization (LOA) is required for contractors receiving government furnished services in the USCENTCOM AOR. Joint Asset Management and Movement System (JAMMS) scanners capture movement of contractor personnel through key life support and movement nodes using their LOA or other identification cards. SPOT is being used to account for both contractor and DoD civilian personnel in Iraq. SPOT capability is continually evaluated to identify enhancements to improve functionality and ease user interface.

  DoS will continue to utilize SPOT as the primary automated program management tool as they assume the lead for all USG contractors in Iraq.

• **SPOT Program Management Transition.** In January 2012 the USD(P&R) assumed operational control, responsibility, support, custody and management of SPOT, specifically within the Defense Manpower Data Center (DMDC) under the Defense Human Resources Activity (DHRA). This creates synergies between SPOT and the Joint Personnel Accountability Reconciliation and Reporting (JPARR) tool.

• **SPOT Configuration Control Board (CCB).** ODASD(PS), as the functional sponsor for SPOT, chairs a quarterly CCB. This Board evaluates proposed enhancements to SPOT and prioritizes implementation to ensure consistency within funding parameters. Membership includes participants from across the DoD OCS community, Department of State, and U.S. Agency for International Development,

• **Programs of Instruction for the non-acquisition workforce.** Contingency Contracting is taught by the Defense Acquisition University (DAU) as a special subject for key acquisition personnel. DoD has developed Programs of Instruction (POI) on contingency acquisition for our non-acquisition workforce to be taught at military staff and senior staff colleges. This training focuses all leaders on determining requirements, translating those requirements into Statements of Work (SOW), and then overseeing work. Additionally, JFCOM has developed a ‘Joint Knowledge Online’ program which provides globally available web-based individual training and knowledge services. Online courses currently available include an ‘Intro to Operational Contract Support (OCS) Commander and Staff Course’ for our deployed Commander/Staff Officers and an ‘OCS FO/GO Essentials Course’ for our Flag and General Officers. An OCS Planners Course has been added for the non-acquisition military planner.

• **Operational Contract Support Concept of Operations (CONOPS).** The CONOPs, signed on March 31, 2010, outlines how the operational and acquisition communities plan and execute OCS during complex operations involving support, not just to the joint force, but to our multinational, other government agency and interagency partners as well. The Joint Requirements Oversight Council (JROC) has endorsed the CONOPS.