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November 20, 2008

The Honorable Carl Levin  
Chairman  
The Honorable John McCain  
Ranking Member  
Committee on Armed Services  
United States Senate

The Honorable Ike Skelton  
Chairman  
The Honorable Duncan L. Hunter  
Ranking Member  
Committee on Armed Services  
House of Representatives

*Subject: Contract Management: DOD Developed Draft Guidance for Operational Contract Support but Has Not Met All Legislative Requirements*

The U.S. military has long used contractors to provide supplies and services to deployed U.S. forces as well as for post-conflict support.<sup>1</sup> The Department of Defense's (DOD) use of contractors has grown significantly to the extent that the force in Iraq is composed of approximately 143,000 military personnel and 149,000 DOD contractor personnel. Congress, GAO, and others have frequently reported on or expressed concerns about the long-standing challenges that DOD faces when managing operational contract support.<sup>2</sup> These challenges include a failure to adequately plan for the use of contractors, poorly defined or changing requirements, a lack of deployable contracting personnel with contingency contracting experience, and difficulties in coordinating contracts and contractor management across military services in joint contingency environments. Furthermore, as we have previously reported, DOD has not provided a sufficient number of trained contract oversight and management personnel in contingency operations, and visibility of contracting activities and

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<sup>1</sup> Contractors supporting deployed forces refer to Department of Defense contractor personnel who are authorized to accompany U.S. military forces in contingency operations or other military operations or exercises designated by the geographic combatant commander.

<sup>2</sup> DOD defines operational contract support as the process of planning for and obtaining supplies, services, and construction from commercial sources in support of joint operations along with the associated contractor management functions. In the past, DOD has used the term contractors accompanying the force to encompass the process the department now refers to as operational contract support. The following report discusses long-standing challenges DOD faces with regard to contractor management and oversight: GAO, *Military Operations: High-Level DOD Action Needed to Address Long-standing Problems with Management and Oversight of Contractors Supporting Deployed Forces*, GAO-07-145 (Washington, D.C.: Dec. 18, 2006). A list of selected GAO reports related to this topic is included in this report.

contractors has been limited.<sup>3</sup> As we have testified, problems associated with DOD's inability to overcome these challenges have resulted in higher costs, schedule delays, unmet goals, and negative operational impacts.<sup>4</sup>

To respond to these concerns, Congress enacted an amendment to title 10 of the U.S. Code adding section 2333, which directed the Secretary of Defense in consultation with the Chairman of the Joint Chiefs of Staff to develop joint policies by April 2008 for requirements definition, contingency program management, and contingency contracting during combat and post-conflict operations.<sup>5</sup> In January 2008, the National Defense Authorization Act for Fiscal Year 2008, hereafter referred to as the NDAA FY08, amended section 2333 to add a new subparagraph directing that these joint policies provide for training of military personnel outside the acquisition workforce who are expected to have acquisition responsibilities including oversight of contracts or contractors during combat operations, post-conflict operations and contingency operations.<sup>6</sup> Additionally, NDAA FY08 directed GAO to review DOD's joint policies and determine the extent to which those policies and the implementation of such policies comply with the requirements of section 2333 of title 10 of the U.S. Code.

This report responds to congressional direction included in section 849 of NDAA FY08. Our objectives were to determine the extent to which (1) DOD has complied with section 2333 of title 10 of the U.S. Code to develop joint policies for (a) requirements definition, (b) contingency program management, (c) contingency contracting, and (d) training for personnel outside the acquisition workforce; and (2) DOD has implemented these joint policies.

To determine the extent to which DOD has complied with the requirement to develop policy discussed in section 2333 of title 10, we obtained and reviewed copies of the following draft policies, which were identified by the Assistant Deputy Under Secretary of Defense (Program Support) as being developed or revised to meet the statutory requirements: (1) DOD Directive 3020.qq, "Orchestrating, Synchronizing, and Integrating Program Management of Contingency Acquisition Planning and Its Operational Execution"; (2) DOD Directive 5134.12, "Deputy Under Secretary of Defense for Logistics and Materiel Readiness"; (3) DOD Instruction 3020.41, "Program Management for the Preparation and Execution of Acquisitions for Contingency Operations"; (4) Expeditionary Contracting Policy; and (5) Joint Publication 4-10, "Operational Contract Support."<sup>7</sup> In addition, we met with representatives of the Joint

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<sup>3</sup> GAO, *Military Operations: DOD Needs to Address Contract Oversight and Quality Assurance Issues for Contracts Used to Support Contingency Operations*, GAO-08-1087 (Washington, D.C. Sept. 26, 2008), and GAO-07-145.

<sup>4</sup> GAO, *Rebuilding Iraq: Reconstruction Progress Hindered by Contracting, Security, and Capacity Challenges*, GAO-07-426T (Washington, D.C.: Feb. 15, 2007).

<sup>5</sup> The John Warner National Defense Authorization Act for Fiscal Year 2007 (Pub. L. No. 109-364, §854(d)), hereafter referred to as NDAA FY07, defined "requirements definition" to mean the process of translating policy objectives and mission needs into specific requirements, the description of which will be the basis for awarding acquisition contracts for projects to be accomplished, work to be performed, or products to be delivered. NDAA FY07 defined "contingency program management" as the process of planning, organizing, staffing, controlling, and leading the combined efforts of participating civilian and military personnel and organizations for the management of a specific defense acquisition program or programs during combat operations, post-conflict operations, and contingency operations. Further, NDAA FY07 defined "contingency contracting" as all stages of the process of acquiring property or services by the Department of Defense during a contingency operation.

<sup>6</sup> Pub. L. No. 110-181, § 849(a).

<sup>7</sup> JP 4-10 establishes doctrine. According to a joint instruction, joint doctrine does not establish policy. Rather, joint doctrine is authoritative guidance and will be followed except when, in the judgment of

Staff, the Office of the Assistant Deputy Under Secretary of Defense (Program Support) (ADUSD(PS)) and the Office of the Director of Defense Procurement, Acquisition Policy, and Strategic Sourcing because these offices play key roles in developing and implementing the joint policies.

To determine the extent to which the policies have been implemented, we met with representatives of the Army, Navy, and Air Force, as well as representatives of the Joint Staff and U.S. Central Command, U.S. Pacific Command, U.S. European Command, and U.S. Southern Command. In addition, we met with representatives of the Defense Acquisition University, which is responsible for developing training for acquisition personnel and contracting officer representatives, to obtain information on the training available to contingency contracting personnel, program management personnel, and oversight personnel. We also interviewed officials from the Department of State who coordinate with DOD in interagency planning and operations. Finally, we met with the presumptive director of the Joint Contingency Acquisition Support Office to determine the office's role and responsibilities in contingency contracting, program management, requirements definition, and training. We also obtained and reviewed documents prepared by the Defense Acquisition University and others to assist us in determining the status of implementation. Enclosure I contains a more detailed presentation of our scope and methodology.

Our assessment of the actions DOD has taken to meet the provisions of section 2333 of title 10 does not address the effectiveness of policies that were in place prior to the mandate. Moreover, we did not evaluate whether these draft policies will be effective because many are under development and subject to change.

We conducted this performance audit from June 2008 to November 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on audit objectives. We believe that the evidence obtained provides a reasonable basis for our assessment based on our audit objectives.

## Summary

DOD is revising and developing new joint policies in each of four areas required—requirements definition, contingency program management, contingency contracting, and training for personnel outside the acquisition workforce; however, these policies were not finalized by April 2008 as required by the John Warner National Defense Authorization Act for Fiscal Year 2007. As of October 1, 2008, the draft policies were not in full compliance with every subparagraph of section 2333 of title 10 and the extent to which the policies comply varies. For example, the law directs DOD to develop joint policies that provide for “a preplanned organizational approach to program management” during combat operations, post-conflict operations, and contingency operations.<sup>8</sup> As of October 1, 2008, none of DOD's draft policies provided guidance on the use of a preplanned organizational approach to program management. According to DOD officials, it is envisioned that the combatant commanders will identify the preplanned organizational approach they intend to use in their planning documents; however, policy will have to be revised to reflect guidance for combatant commanders to include this in their plans. Furthermore, the law directs DOD to

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the commander, exceptional circumstances dictate otherwise. Chairman of the Joint Chiefs of Staff Instruction 5120.02A, "Joint Doctrine Development System," Mar. 31, 2007 (current as of Apr. 3, 2008).

<sup>8</sup> 10 U.S.C. § 2333 (c)(2) (2007).

assign a senior commissioned officer to act as head of contingency contracting and report to the relevant combatant commander.<sup>9</sup> However, DOD's draft Joint Publication 4-10 does not provide for the assignment of a single head of contracting activity to oversee contracting during all contingencies.

Enclosure II provides more details of our assessment of the extent to which DOD draft policies address the requirements in section 2333 of title 10, including a number of observations that could be useful as DOD finalizes its draft policies. While a draft of this report was at the agency for comment, DOD finalized Joint Publication 4-10, "Operational Contract Support," which was signed on October 17, 2008. The remaining joint policies have yet to be finalized.

Furthermore, DOD has begun to implement aspects of the draft policies in all four required areas. For example, DOD has implemented draft policy<sup>10</sup> that directs the services, military departments, and combatant commands to provide for the integration of contractors and operational acquisition in mission readiness exercises.<sup>11</sup> However, DOD has not fully implemented another training policy that requires the services to provide training to personnel outside the acquisition workforce. Specifically, the Army has developed training, but neither the Air Force nor the Department of the Navy has identified plans or initiatives to develop and provide training for personnel outside the acquisition workforce. Enclosure II contains more detail on our assessment of the extent to which DOD has implemented its draft policies.

### **Agency Comments and Our Evaluations**

We provided a draft of this report to DOD for review and comment. In their written comments, DOD stated that it believes our report prematurely speculates on the results of pending draft DOD directives, publications, and instructions. We disagree with DOD's assessment. We were required by section 849 of the NDAA 08 to conduct our review no later than 180 days after the Secretary of Defense's April report on the implementation of joint policies developed under section 2333 of title 10 of the U.S. Code. Furthermore, our report notes that our assessment provides the status, as of October 1, 2008, of DOD's compliance and implementation of the provisions of section 2333, including a number of observations on DOD's progress in developing DOD directives, publications, and instructions as well as observations that could be useful as DOD finalizes its draft policies. DOD also provided us with technical comments, which we incorporated into the report as appropriate. DOD's response is attached as enclosure III.

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We are sending copies of this report to other interested congressional committees and the Secretary of Defense. In addition, this report will be available at no charge on GAO's Web site at <http://www.gao.gov>.

Should you or your staff have any questions on the matters covered in this report, please contact Linda Kohn at (202) 512-7114 or [kohnl@gao.gov](mailto:kohnl@gao.gov) or John Hutton at (202) 512-4841 or

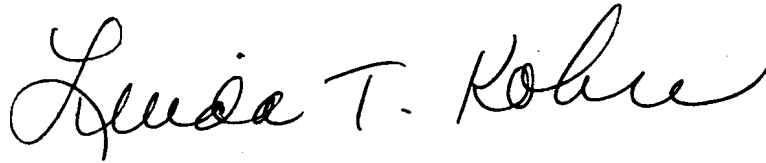
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<sup>9</sup> 10 U.S.C. § 2333 (d)(1)(B) (2007).

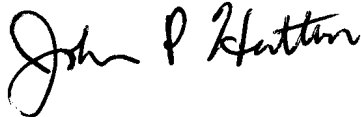
<sup>10</sup> Department of Defense Instruction 3020.41

<sup>11</sup> 10 U.S.C. § 2333 (e)(3) (2008).

huttonj@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in enclosure IV.

A handwritten signature in black ink that reads "Linda T. Kohn". The signature is written in a cursive style with a large initial 'L'.

Linda Kohn, Acting Director  
Defense Capabilities and Management

A handwritten signature in black ink that reads "John P. Hutton". The signature is written in a cursive style with a large initial 'J'.

John Hutton, Director  
Acquisition and Sourcing Management

## Enclosure I: Scope and Methodology

After Congress amended section 2333 of title 10 of the U.S. Code, it directed GAO to determine the extent to which (1) the Department of Defense (DOD) has complied with section 2333 of title 10 to develop joint policies for (a) requirements definition, (b) contingency program management, (c) contingency contracting, and (d) training for personnel outside the acquisition workforce; and (2) DOD has implemented joint policies in these four areas of the law. Our assessment of the actions DOD has taken to meet the provisions of section 2333 of title 10 does not address the effectiveness of policies that were in place prior to the mandate. Furthermore, we did not evaluate whether these draft policies will be effective because many are under development and subject to change.

To determine how DOD was addressing and complying with section 2333 of title 10, we obtained and reviewed copies of the following draft policies identified by the Assistant Deputy Under Secretary of Defense (Program Support) (ADUSD(PS)) as being developed or revised to meet section 2333:

- DOD Instruction 3020.41, "Program Management for the Preparation and Execution of Acquisitions for Contingency Operations";
- DOD's revision to Directive 5134.12, "Deputy Under Secretary of Defense for Logistics and Materiel Readiness";
- DOD Directive 3020.qq, "Orchestrating, Synchronizing, and Integrating Program Management of Contingency Acquisition Planning and Its Operational Execution";
- Expeditionary Contracting Policy; and
- Joint Publication 4-10, "Operational Contract Support."<sup>12</sup>

To determine the extent to which DOD's joint policies have been implemented, we obtained and reviewed a number of key documents and interviewed a number of officials. First, we reviewed DOD's reports to Congress addressing DOD's implementation of the requirements of section 854 of the John Warner National Defense Authorization Act of Fiscal Year 2007, including the interim report to Congress, issued October 2007, and the final report to Congress, issued in April 2008. We also reviewed the 2008 report, entitled *Department of Defense Task Force on Contracting and Contractor Management in Expeditionary Operations*, submitted to Congress in response to section 849 of the National Defense Authorization Act for Fiscal Year 2008. Additionally, we reviewed several DOD documents that were in draft at the time of our engagement, including the *Operational Contract Support Concept of Operations*, the *Operational Contract Support Roadmap*, and the *Joint Contingency Acquisition Support Office Concept of Operations*. These documents explain how DOD intends to implement the policies it is developing. We also reviewed *DOD's Report on Improving Interagency Support for United States 21<sup>st</sup> Century National Security Missions and Interagency Operations in Support of Stability, Security, Transition, and Reconstruction Operations* (section 1035 report) to determine the expectations it established for DOD with respect to interagency cooperation in planning for, exercising, and executing reconstruction and stability operations.

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<sup>12</sup> JP 4-10 establishes doctrine. According to a joint instruction, joint doctrine does not establish policy. Rather, joint doctrine is authoritative guidance and will be followed except when, in the judgment of the commander, exceptional circumstances dictate otherwise. Chairman of the Joint Chiefs of Staff Instruction 5120.02A, "Joint Doctrine Development System," Mar. 31, 2007 (current as of Apr. 3, 2008).

To evaluate steps taken by DOD to provide and ensure contingency contracting training, we examined the Defense Acquisition Workforce Improvement Act to understand training requirements for personnel in the contracting career field and to determine if existing certifications awarded for meeting these requirements would identify personnel who have completed contingency contracting training.<sup>13</sup> We reviewed *Contingency Contracting: A Joint Handbook* and other provided instructional materials for the Defense Acquisition University's basic contracting courses and contingency contracting course, CON 234, to ensure that the available training contained the legally required elements. We also reviewed joint and service training documents, and the Defense Acquisition University's contracting officer's representative training class materials, to assess whether the training of officers and subordinates in the field in contingency program management and contingency contracting matters—both acquisition and non-acquisition personnel—meets the intent of section 2333 of title 10.

In addition to our document review, we interviewed officials including representatives of the Office of the ADUSD(PS), Joint Staff, and the Office of the Director of Defense Procurement, Acquisition Policy, and Strategic Sourcing to discuss, among other things, the status of the development or revision of joint policies, intended deadlines for finalizing joint policies, and challenges faced. We interviewed these officials to determine the extent to which DOD had implemented the policies it is developing. We also interviewed officials from the Joint Contracting Command – Iraq/Afghanistan to discuss contingency contracting, and interviewed Department of State officials to assess the extent to which DOD has undertaken interagency planning and operations, as required in section 2333 of title 10.

We conducted interviews with service offices dedicated to planning, doctrine, and training functions, including the Army's Acquisition, Logistics and Technology Integration Office, and the following combatant commands:

- U.S. Joint Forces Command,
- U.S. Central Command,
- U.S. Pacific Command,
- U.S. European Command, and
- U.S. Southern Command.

At these service and joint offices, we interviewed military officers and planners responsible for the revision of the geographic combatant commanders' operation plans and concept plans, to determine whether these plans incorporated DOD's draft policies on the four areas discussed in section 2333 of title 10.

Additionally, we met with U.S. Joint Forces Command representatives, as well as Army, Navy, and Air Force representatives to discuss training initiatives and the extent to which contractors have been incorporated into mission readiness exercises. We met with representatives of the Defense Acquisition University to obtain information on the training available to contingency contracting personnel, program management personnel, and oversight personnel, including non-acquisition members of the officer corps.

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<sup>13</sup> 10 U.S.C. 1701-1764 (2008).

Finally, to help us assess DOD's implementation of some of the joint policies we met with the presumptive director of the Joint Contingency Acquisition Support Office. In our interview with the presumptive director, we sought to gain an understanding of his office's role in contingency program management and contingency contracting as well as who would make up the proposed deployable cadre of experts and what their roles and responsibilities would entail.

We visited or contacted the following offices during our review.

### **Department of Defense**

- Office of the Assistant Deputy Under Secretary of Defense (Program Support) (ADUSD(PS)), Washington, D.C.
- Joint Contracting Command -- Iraq/Afghanistan, Baghdad, Iraq
- Office of Defense Procurement, Acquisition Policy, and Strategic Sourcing, Washington, D.C.
- U.S. Joint Forces Command, Suffolk, Virginia
- Joint Warfighting Center, Suffolk, Virginia
- Joint Staff J4 (Logistics) Directorate, Washington, D.C.
- U.S. Central Command, Tampa, Florida
- U.S. European Command, Stuttgart, Germany
- U.S. Pacific Command, Honolulu, Hawaii
- U.S. Southern Command, Miami, Florida
- Defense Acquisition University, Fort Belvoir, Virginia
- Joint Contingency Acquisition Support Office (provisionally located at the Defense Depot), Norfolk, Virginia

### **Department of the Navy**

- Office of the Assistant Secretary of the Navy, Acquisition and Logistics Management, Arlington, Virginia

### **Department of the Army**

- Acquisition, Logistics and Technology Integration Office, Fort Lee, Virginia
- Army Expeditionary Contracting Command, Fort Belvoir, Virginia

### **Department of the Air Force**

- Office of the Assistant Secretary of the Air Force, Contracting, Arlington, Virginia

### **Other government agencies:**

- U.S. Department of State, Washington, D.C.



We conducted this performance audit from June 2008 to November 2008 in accordance with generally accepted government auditing standards. Our assessment of the extent to which DOD's draft policies met the requirements of section 2333 of title 10 is based on our review of the draft policies and guidance as they were written on October 1, 2008. Similarly our assessment of the extent to which the policies have been implemented was based on the work we undertook from June 2008 through October 1, 2008. Generally accepted government auditing standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for this assessment based on our audit objectives.

## Enclosure II GAO's Assessment of DOD's Compliance With and Implementation of the Provisions of Section 2333 of Title 10 of the U.S. Code to Develop Joint Policies

The John Warner National Defense Authorization Act for Fiscal Year 2007,<sup>14</sup> hereafter referred to as NDAA FY 07, amended title 10 of the U.S. Code to add section 2333, requiring the Secretary of Defense in consultation with the Chairman of the Joint Chiefs of Staff to develop joint policies for requirements definition, contingency program management, and contingency contracting during combat operations and post-conflict operations by April 2008.<sup>15</sup> In January 2008, the National Defense Authorization for Fiscal Year 2008 further amended section 2333 of title 10 directing that these joint policies provide for training of military personnel outside the acquisition workforce who are expected to have acquisition responsibilities during combat operations, post-conflict operations, and contingency operations.<sup>16</sup> This amendment also included a requirement for GAO to review the joint policies and the implementation of those policies and submit to Congress a report on the extent to which such policies comply with the requirements of section 2333 of title 10 no later than 180 days after the Secretary of Defense's April report on the implementation of joint policies developed under section 2333 of title 10.<sup>17</sup>

Table 1 is our assessment of the actions DOD has taken to meet the requirements of section 2333 of title 10 and includes a number of observations that could be useful as DOD finalizes its draft policies. DOD's joint policies were not finalized by April 2008, as required by the NDAA FY07. DOD is currently revising and developing new joint policies on each of the four matters required under section 2333 of title 10; however, as of October 1, 2008, these draft policies were not in full compliance with all the subparagraphs of section 2333. Furthermore, DOD has begun to implement some of the draft policies on each of the four matters; however, the extent of implementation varies. While a draft of this report was at the agency for comment, DOD finalized Joint Publication 4-10, "Operational Contract Support," which was signed on October 17, 2008. The remaining joint policies have yet to be finalized.

Our assessment of the extent to which DOD's draft policies met the requirements of section 2333 of title 10 is based on our review of the draft policies and guidance as they were written on October 1, 2008. Similarly, our assessment of the extent to which the policies have been implemented was based on the work we undertook from June 2008 through October 1, 2008. Furthermore, our assessment of the actions DOD has taken to meet the provisions of section 2333 of title 10 does not address the effectiveness of policies that were in place prior to the mandate. Moreover, we did not evaluate whether these draft policies will be effective because many are under development and subject to change.

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<sup>14</sup> Pub. L. No. 109-364, § 854 (a)(1).

<sup>15</sup> NDAA FY07 defined "requirements definition" to mean the process of translating policy objectives and mission needs into specific requirements, the description of which will be the basis for awarding acquisition contracts for projects to be accomplished, work to be performed, or products to be delivered. NDAA FY07 defined "contingency program management" as the process of planning, organizing, staffing, controlling, and leading the combined efforts of participating civilian and military personnel and organizations for the management of a specific defense acquisition program or programs during combat operations, post-conflict operations, and contingency operations. Further, NDAA FY07 defined "contingency contracting" as all stages of the process of acquiring property or services by the Department of Defense during a contingency operation.

<sup>16</sup> Pub. L. No. 110-181, § 849 (a).

<sup>17</sup> Pub. L. No. 110-181, § 849 (c).

**Table 1: GAO’s Assessment of DOD’s Compliance and Implementation of the Provisions of Section 2333 of Title 10 of the U.S. Code to Develop Joint Policies**

<b>Section 2333 (a) Joint Policy requirement</b>	<b>GAO’s Assessment of Joint Policy Development and Implementation, as of October 1, 2008</b>
<p>The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall develop joint policies for requirements definition, contingency program management, and contingency contracting during combat operations and post-conflict operations.</p>	<p>DOD’s joint policies, which were to be issued by April 2008,<sup>a</sup> are still in development. According to the Office of the Assistant Deputy Under Secretary of Defense (Program Support) (ADUSD(PS)), who was designated to implement section 854 of the John Warner National Defense Authorization Act for FY2007, the five draft joint policies discussed below were identified as the policies being developed to meet the requirements of section 2333 of title 10 of the U.S. Code.</p> <p>DOD is developing Department of Defense Directive 3020.qq, “Orchestrating, Synchronizing, and Integrating Program Management of Contingency Acquisition Planning and Its Operational Execution.” The purpose of this draft directive is to establish policy and assign responsibilities for program management for the preparation and execution of acquisitions for contingency operations, in accordance with section 2333 of title 10 of the U.S. Code. The draft directive states that it is DOD policy that appropriate program management for the preparation and execution of acquisitions for contingency operations is implemented to abide by applicable laws and policies, and to fully consider, plan for, integrate, and execute contractor support into contingency operations. The draft directive also states that the Deputy Under Secretary of Defense for Logistics and Materiel Readiness (DUSD(L&amp;MR)) is to manage the Joint Logistics Portfolio containing the operational contract support capability area to ensure effective management of contracts and contractors through the development of joint policies on requirements definition, contingency program management, and contingency contracting. Additionally, the ADUSD(PS), under the DUSD(L&amp;MR) is to (1) oversee and manage the orchestration, integration, and synchronization of the preparation and execution of acquisitions for contingency operations; (2) lead, in conjunction with the Chairman of the Joint Chiefs of Staff, the development of joint policies for requirements definition, contingency program management, and contingency contracting; and (3) undertake interagency coordination, as appropriate.<sup>b</sup> Finally, the draft directive states that the Defense Acquisition University (DAU), under the Deputy Under Secretary of Defense, Acquisition and Technology, is to develop and execute training of the acquisition workforce.</p> <p>DOD is revising Department of Defense Directive 5134.12, entitled “Deputy Under Secretary of Defense for Logistics and Material Readiness,” to provide the current responsibilities, functions, relationships, and authorities of the (DUSD(L&amp;MR)). For example, the draft directive states that program management will be delegated to the ADUSD (PS) for joint policies for requirements definition and contingency program management, including (1) establishing a framework and the policies for a Joint Contingency Acquisition Support Office (JCASO) to support contingency operations in accordance with congressional mandates; (2) establishing policies for institutionalizing the requirement for joint operational contract support planners in each of the combatant commands; (3) providing for the accountability and visibility of DOD contractors supporting contingency operations through a DOD-approved common database; and (4) providing policy and guidance for DOD contractors and contractor personnel in support of contingency, disaster relief, and humanitarian assistance operations.</p>

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**Section 2333 (a)  
Joint Policy requirement**

**GAO's Assessment of Joint Policy Development and Implementation,  
as of October 1, 2008**

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The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall develop joint policies for requirements definition, contingency program management, and contingency contracting during combat operations and post-conflict operations.

(continued)

DOD is revising existing DOD Instruction (DODI) 3020.41, "Program Management for the Preparation and Execution of Acquisitions for Contingency Operations."<sup>c</sup> This document strengthens the department's joint policies and guidance on requirements definition; program management, including the oversight of contractor personnel supporting a contingency operation; and training. The draft instruction states that it is DOD policy to fully consider, plan for, integrate, and execute contractor support into contingency operations. The draft instruction further contains instructions to combatant commanders and service component commanders to conduct planning to identify military capabilities shortfalls that require acquisition solutions in commanders' operational plans. The draft also provides joint policy on some aspects of program management, such as the management of contractors supporting a contingency operation. For example, the draft policy notes that DOD has designated a joint Web-based database for combatant commander's to use in maintaining accountability and visibility over DOD-funded contracts and contractors in their areas of responsibility. The draft document also directs that adequate trained military or DOD civilian personnel resources necessary to execute contract oversight are identified and addressed in the operational plans. In addition, the draft also directs the combatant commanders to integrate requirements identification, contractor management, contractor integration, and any identified operational acquisition requirements into training simulations, mission rehearsals, and exercises.

DOD is developing an Expeditionary Contracting Policy, which will supplement the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement and is intended to establish uniform policies and procedures for DOD contingency contracting officers. DOD intends for the draft policy to also provide practical advice as well as reminders of contract policies that affect buying in long- and short-term contingency operations. The draft policy also provides the foundation for the *Joint Contingency Contracting Handbook*. According to DOD, the handbook and enclosed DVD provide tools, templates, and training that enable a contingency contracting officer to be effective in any contracting environment. The handbook also contains resources for contracting officers to promote uniform contracting practices, including standardized contract forms and language for terms and conditions. While the handbook was available in December 2007, DOD officials do not expect the draft policy to be finalized until Joint Publication 4-10 is finalized so that they may ensure that policy and doctrine are aligned.

<b>Section 2333 (a) Joint Policy requirement</b>	<b>GAO's Assessment of Joint Policy Development and Implementation, as of October 1, 2008</b>
<p>The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall develop joint policies for requirements definition, contingency program management, and contingency contracting during combat operations and post-conflict operations.</p> <p>(continued)</p>	<p>DOD's draft Joint Publication 4-10,<sup>d</sup> "Operational Contract Support," is intended to establish DOD's doctrine for planning, conducting, and assessing operational contract support integration and contract management functions in support of joint operations. The draft joint publication provides standardized guidance and information related to integrating operational contract support and contractor management. The draft doctrine contains guidance on the requirements development process. The draft doctrine also briefly addresses contingency program management by identifying a future organizational option, called the JCASO, which will provide program management for joint contingency acquisition across the combatant commands and interagency, during combat operations, post-conflict operations, and contingency operations. Additionally, the draft joint publication contains guidance on contractor management principles, which are mainly focused on the integration of contractor personnel once the commander makes the decision to use contracted versus military sources of support. The draft includes specific guidance on DOD's responsibility to contractor employees to provide things such as life support, force protection, and medical support as well as a basic discussion on contracting command and control organizational options. The draft doctrine also provides commanders with options for how to organize the command and control over supporting contracting organizations, which includes a joint approach with consolidated contracting authority. However, because this publication is doctrine, it does not require a joint approach even when multiple services are involved.<sup>e</sup></p>

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**Section 2333 (b)  
Requirements Definition Matters**

**GAO's Assessment of Joint Policy Development and Implementation,  
as of October 1, 2008**

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- (1) The assignment of a senior commissioned officer or civilian member of the senior executive service, with appropriate experience and qualifications related to the definition of requirements to be satisfied through acquisition contracts (such as for delivery of products or services, performance of work, or accomplishment of a project), to act as head of requirements definition and coordination during combat operations, post-conflict operations, and contingency operations, if required, including leading a requirements review board involving all organizations concerned.
- In the current forms, neither the draft DOD Directive 3020.qq, draft DOD Directive 5134.12, nor draft Joint Publication 4-10 provide for the assignment of a single senior commissioned officer or civilian member of the senior executive service, with appropriate experience and qualifications related to the definition of requirements to be satisfied through acquisition contracts (such as for delivery of products or services, performance of work, or accomplishment of a project), to act as head of requirements definition and coordination during combat operations, post-conflict operations, and contingency operations, if required, including leading a requirements review board involving all organizations concerned.
- A senior representative from the Office of the ADUSD(PS) stated that the ADUSD(PS) is viewed within the department as fulfilling this subparagraph of the law. DOD Directive 3020.qq and DOD Instruction 5134.12 outline certain policy-making responsibilities of the ADUSD(PS). However, these documents do not identify the ADUSD(PS) as the person responsible for acting as the head of requirements definition and coordination during combat operations, post-conflict operations, and contingency operations and leading a requirements review board if one is required. Instead, draft Joint Publication 4-10 designates the requiring activity, which is a military or other designated supported organization, as the appropriate organization to determine contractor-supported requirements during military operations. Furthermore, according to draft Joint Publication 4-10, an in-theater requirements review board, known as the Joint Acquisition Review Board (JARB) is used to coordinate and control the requirements generation and prioritization of joint common user logistics supplies and services that are needed in support of the operational mission, and is normally chaired by the subordinate joint forces commander or deputy commander, Joint Staff, Logistics (J4). In addition, decisions made by the JARB may be forwarded to the Joint Contracting Support Board (JCSB) which makes recommendations on which specific contracting organizations/contract venues are best suited to fulfill the requirements. The goal of the JCSB is to maximize the contracting capabilities of the joint operations area while minimizing the competition for limited vendor capabilities.

<b>Section 2333 (b) Requirements Definition Matters</b>	<b>GAO's Assessment of Joint Policy Development and Implementation, as of October 1, 2008</b>
(2) An organizational approach to requirements definition and coordination during combat operations, post-conflict operations, and contingency operations that is designed to ensure that requirements are defined in a way that effectively implements United States Government and Department of Defense objectives, policies, and decisions regarding the allocation of resources, coordination of interagency efforts in the theater of operations, and alignment of requirements with the proper use of funds.	<p>DOD's draft joint policies do not provide for an organizational approach to requirements definition and coordination during combat operations, post-conflict operations, and contingency operations that is designed to ensure that requirements are defined in a way that effectively implements U.S. government and DOD objectives, policies, and decisions regarding the allocation of resources, coordination of interagency efforts in the theater of operations, and alignment of requirements with the proper use of funds.</p> <p>According to DOD, the organizational approach to requirements definition and coordination is a two-step approach that remains under development. First, the draft DOD Instruction 3020.41 calls for military planners to develop detailed and synchronized contractor support and contractor integration plans and include them in their operational plans. With a stated objective of fulfilling the requirements of section 2333 of title 10, DOD issued a task order for contracting planning for combatant commanders' program support. The task order statement of work places two joint operational contract support planners (who are currently contractors) at each geographic combatant command as well as at U.S. Joint Forces Command. These planners are tasked with identifying military capability shortfalls and the contract capabilities necessary to meet these shortfalls, and with defining these requirements in the combatant commanders' operational plans (OPLANs) and concept plans (CONPLANs). However, DOD, the Joint Staff, and some combatant commands are unclear on who should be identifying and defining requirements for contractor support and what level of detail should be included in the combatant commander's plans. Based on analysis of information obtained from the combatant commands we contacted, including U.S. Central Command, U.S. European Command, U.S. Pacific Command, and U.S. Southern Command, few plans include contractor support requirements. According to DOD officials, to resolve this confusion, the Joint Staff has taken the lead on revising existing guidance contained in the Chairman of the Joint Chiefs of Staff Manual 3122.03C (17 Aug 2007) on how to develop a contractor support annex (also referred to as annex W), which is included in the combatant commander's operational plans. This revision is expected to be completed in late 2008.</p> <p>Second, DOD has established the JCASO, which will be responsible for reviewing the combatant commanders' OPLANs and CONPLANs continually to ensure early identification of and inclusion of contract requirements. According to the DOD report to Congress on section 854, in order to comply with section 2333 of title 10, DOD established the JCASO to lead the integration and synchronization of contract support in OPLANs and CONPLANs across combatant commands and U.S. government agencies. While the JCASO is briefly identified in Joint Publication 4-10 as a future organizational option, the joint publication does not provide guidance or policy on using the JCASO as an organizational approach to requirements definition and coordination during combat operations, post-conflict operations, and contingency operations. According to DOD officials, the JCASO has not been fully staffed, and the details of the review process have yet to be worked out.</p>

- (1) The assignment of a senior commissioned officer or civilian member of the senior executive service, with appropriate program management experience and qualifications, to act as head of program management during combat operations, post-conflict operations, and contingency operations, including stabilization and reconstruction operations involving multiple United States Government agencies and international organizations, if required.
- Draft DOD policy does not provide for the assignment of a senior commissioned officer or civilian member of the senior executive service, with appropriate program management experience and qualifications, to act as head of program management during combat operations, post-conflict operations, and contingency operations, including stabilization and reconstruction operations involving multiple U.S. Government agencies and international organizations, if required.
- However, a senior representative from the Office of the ADUSD(PS) stated that the ADUSD(PS) is viewed within the department as fulfilling this subparagraph of the law. While DOD Directive 3020.qq and DOD Instruction 5134.12 outline certain policy-making responsibilities of the ADUSD(PS), the responsibility of acting as a head of program management, specifically in a theater of operation during combat operations, post-conflict operations, and contingency operations, is not provided therein. Additionally, although the JCASO is briefly identified in Joint Publication 4-10 as a future organizational option to provide program management for joint contingency acquisition across the combatant commands and U.S. interagency, during combat operations, post-conflict operations, and contingency operations, the joint publication does not provide any guidance or policy on who would have the responsibility to act as head of program management, and it does not discuss who would act as head of program management if the JCASO organizational option is not exercised. However, according to DOD officials, current guidance contained in the Chairman of the Joint Chiefs of Staff Instruction 5120.02 (30 November 2004) states that only capabilities in current use are incorporated into joint doctrine. Therefore, DOD officials stated that as soon as the JCASO is fully developed and operating, immediate steps will be taken to incorporate it into the next revision of the joint publication.
- (2) A preplanned organizational approach to program management during combat operations, post-conflict operations, and contingency operations that is designed to ensure that the Department of Defense is prepared to conduct such program management.
- DOD's draft joint policies do not provide for a preplanned organizational approach to program management during combat operations, post-conflict operations, and contingency operations that is designed to ensure that DOD is prepared to conduct such program management.
- Although the JCASO is briefly identified in Joint Publication 4-10 as a future organizational option to provide program management for joint contingency acquisition across the combatant commands and US interagency, during combat operations, post-conflict operations, and contingency operations, the joint publication does not provide any guidance or policy on using the JCASO. As previously noted, DOD officials stated that as soon as the JCASO is fully developed and operating, immediate steps will be taken to incorporate it into the next revision of the joint publication.
- The intent of the JCASO, according to DOD's draft JCASO Concept of Operations, is to forward deploy a single joint program management capability that will act as head of program management, among other responsibilities, during combat operations and contingency operations and have a direct reporting relationship to the Joint Task Force Commander. When the JCASO is transitioned into a joint contracting center, during post-conflict operations and contingency operations, including stabilization and reconstruction operations, it will serve as program manager, reporting directly to the joint forces commander. On July 10, 2008, DOD designated the JCASO's provisional location in the Defense Logistics Agency.
- However, decisions on how and when to use the JCASO have yet to be finalized. Specifically, whether the JCASO will be deployed in all contingency circumstances is unclear. According to DOD officials, it is envisioned that commanders' OPLANs should identify what their preplanned organizational approaches to program management would be; however, policy and doctrine would have to be developed or revised to address this.



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**Section 2333 (c)  
Contingency Program  
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- (3) Identification of a deployable cadre of experts, with the appropriate tools and authority, and trained in processes under paragraph (6).<sup>1</sup>
- In the introduction to its JCASO Concept of Operations, which is currently in draft, DOD identifies that the JCASO includes the deployable cadre specified in section 854 of the NDAA FY07. Currently, the JCASO's roles and responsibilities for contingency operations have not been integrated into the draft Operational Contract Support Joint Publication 4-10, which is DOD's overall operational contract support doctrine. DOD officials who developed the draft doctrine explained that it is inappropriate to include the JCASO into the doctrine until it is mature and functional.
- According to the draft concept of operations, the JCASO will be composed of 27 full-time members, who have not been selected. According to DOD, 16 of these members will be the deployable cadre of experts with appropriate tools and authorities to oversee program management during contingency operations. DOD expects that JCASO personnel will be experts in planning, contingency contracting, contingency financing, contingency law, and civil engineering but does not identify how these personnel will be trained in the processes under paragraph (5). According to DOD, the deployable personnel would include contracting officers, quality assurance representatives, and a representative with experience in combatant command-level planning, operations, and contracting that would provide visibility of contracts and contractors in the joint area of operations and be the joint forces commander's single point of contact for all contracting/contractor personnel issues therein.
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- (4) Utilization of the hiring and appointment authorities necessary for the rapid deployment of personnel to ensure the availability of key personnel for sufficient lengths of time to provide for continuing program and project management.
- According to DOD, it is currently in the process of revising DOD Directive 1404.10, "Building and Sustaining an Expeditionary Capability in the DOD Civilian Workforce," to address the authorities needed to appoint and hire members of DOD's civilian workforce to be rapidly deployable and serve in a variety of positions, including those related to program management, during global operations. The draft directive states that it is DOD policy to ensure that individual deployments will generally not exceed 1 year, which according to officials is sufficient to support program management functions during expeditionary operations. DOD expects to finish drafting this policy sometime in 2009.
- According to the Principal Deputy Under Secretary of Defense for Civilian Personnel Policy, DOD has approximately 9,800 civilian positions that are designated as deployable to provide support during combat operations. This official explained that while DOD has used some civilians in these positions to support operations in Iraq, all of these positions are not presently filled or utilized for expeditionary operations. In September 2008, DOD posted job announcements to fill some of these positions. Furthermore, DOD is assessing what key personnel are needed to support expeditionary operations, and plans to use its existing authorities under titles 5 and 10 to convert existing positions to deployable positions that would support both combat and noncombat expeditionary operations.
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- (5) A requirement to provide training (including training under a program to be created by the Defense Acquisition University) to program management personnel in –
- (A) the use of laws, regulations, policies, and directives related to program management in combat or contingency environments;
  - (B) the integration of cost, schedule, and performance objectives into practical acquisition strategies aligned with available resources and subject to effective oversight; and
  - (C) procedures of the Department of Defense related to funding mechanisms and contingency contract management.
- DOD's draft policies do not include a provision to provide training (including training under a program to be created by the DAU) to program management personnel in
- (A) the use of laws, regulations, policies, and directives related to program management in combat or contingency environments;
  - (B) the integration of cost, schedule, and performance objectives into practical acquisition strategies aligned with available resources and subject to effective oversight; and
  - (C) procedures of the Department of Defense related to funding mechanisms and contingency contract management
- While DOD's draft policies do not include the specific program management training provisions discussed above, DAU officials stated that the current program management curriculum provides for training on program management in regard to cost, schedule, and performance objectives as well as departmental procedures related to funding mechanisms, but acknowledged that DAU has not established a separate program in order to address the use of laws, regulations, policies, and directives in combat or contingency environments. Furthermore, DAU officials do not believe that the university is solely responsible for developing all of the required training. To address the use of laws, regulations, policies, and directives related to program management in combat or contingency environments, Office of the Secretary of Defense officials stated that an online course being developed by U.S. Joint Forces Command will provide such training. The course under development will be for servicemembers preparing for deployment to theater and will consist of information necessary to operate effectively on contingency contracting matters and with contractors on the battlefield. Additionally, the online course will address the concepts discussed in Joint Publication 4-10. DOD officials expect the online course to be available in March 2009.
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- (6) Appropriate steps to ensure that training is maintained for such personnel even when they are not deployed in a contingency operation.
- DOD's draft policies do not provide appropriate steps to ensure that training is maintained for such personnel even when they are not deployed in a contingency operation.
- While DOD officials stated that acquisition personnel must complete a mandatory number of training hours for their career field per year, there is no requirement that acquisition personnel train on issues related to program management.

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- (7) Such steps as may be needed to ensure jointness and cross-service coordination in the area of program management during contingency operations.
- DOD draft policy does not specifically provide such steps as may be needed to ensure jointness and cross-service coordination in the area of program management during contingency operations.
- However, draft Joint Publication 4-10 states that the Joint Staff J4's responsibilities include facilitating communication of operational contract-related matters through routine meetings and communications with the joint community of interest.
- According to DOD, a community of interest and a community of practice for operational contract support have been established. First, the Operational Contract Support community of interest, which consists of representatives of U.S. Joint Forces Command, the services, the Defense Contract Management Agency, the Defense Logistics Agency, and the Directorate, Defense Procurement and Acquisition Policy, is called upon to provide input, information, and data to the ADUSD(PS). Second, a community of practice was established as a smaller body than the community of interest, comprising subject matter experts from the Office of the Secretary of Defense, the Joint Staff, and the services, that may be called upon to work on a specific task or project.
- Additionally, the department has established a Council of Colonels, which serves as a "gatekeeper" for initiatives, issues, or concepts, as well as a Joint Policy Development General Officer Steering Committee, which includes senior commissioned officers or civilians designated by the services. The committee's objective is to guide the development of Office of the Secretary of Defense, Joint Staff, and service policy, doctrine, and procedures to adequately reflect situational and legislative changes as they occur within Operational Contract Support.

Section 2333 (d) (1) Contingency Contracting Matters	GAO's Assessment of Joint Policy Development and Implementation, as of October 1, 2008
(A) The designation of a senior commissioned officer or civilian member of the senior executive service in each military department with the responsibility for administering the policy.	<p>Each military department has a senior procurement executive who has broad contracting authorities and is responsible for administering contracting and related policies. According to the draft Expeditionary Contracting Policy, these senior procurement executives are responsible for administering the policy, and no additional action was needed to implement the requirement in this subparagraph.</p> <p>The senior procurement executive for each service is as follows:</p> <ol style="list-style-type: none"> <li>1. <b>Army</b> - Assistant Secretary of the Army for Acquisition, Logistics and Technology</li> <li>2. <b>Navy</b> - Deputy Assistant Secretary of the Navy for Research, Development, and Acquisition</li> <li>3. <b>Air Force</b> - Deputy Assistant Secretary of Contracting</li> </ol>
(B) The assignment of a senior commissioned officer with appropriate acquisition experience and qualifications to act as head of contingency contracting during combat operations, post-conflict operations, and contingency operations, who shall report directly to the commander of the combatant command in whose area of responsibility the operations occur.	<p>In their current forms, neither the draft Joint Publication 4-10 nor the draft Expeditionary Contracting Policy will provide for a single head of contracting activity be appointed to oversee all theater support contracting organizations and report to the area's combatant commander across the range of military operations. According to DOD officials, upon declaration of a contingency, the assignment of an officer to act as head of contingency contracting is based on one of the three organizational approaches used to manage supporting contracting organizations, as identified in the draft doctrine.</p> <ol style="list-style-type: none"> <li>(1) According to the draft doctrine and draft Expeditionary Contracting Policy, when service components provide support to their own forces, the combatant commander would allow the service components to retain control of their own contracting authority. Thus, there will be multiple heads of contracting, depending on the number of services and contracting organizations supporting the operation, requiring commanders to coordinate with multiple individuals on contracting issues.</li> <li>(2) According to the draft doctrine and Expeditionary Contracting Policy, when a lead service approach is used, DOD will assign an executive agent which will identify an officer, typically a colonel, to serve as head of contracting and report to the area's commander on contracting issues.</li> <li>(3) Finally, according to the draft doctrine and draft Expeditionary Contracting Policy, when a joint theater support contracting command approach is used, a flag officer<sup>9</sup> will be designated to be the head of contracting and also charged with leading this joint functional command.</li> </ol>

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**Section 2333 (d) (1)  
Contingency Contracting Matters**

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- (C) A sourcing approach to contingency contracting that is designed to ensure that each military department is prepared to conduct contingency contracting during combat operations, post-conflict operations, and contingency operations, including stabilization and reconstruction operations involving interagency organizations, if required.
- The draft Joint Publication 4-10 doctrine notes that each service has a unique approach to developing, training, and deploying contracting personnel based on its individual mission and organization, and theater support and contracting support capabilities differ among military services. For example, the draft doctrine explains that the Marine Corps has a limited number of contingency contracting officers, but they do not contract for construction nor do they have the skills to support major reconstruction efforts. In contrast, the draft doctrine notes that the Air Force's contracting officers have construction contracting capability as its contracting workforce is larger and experienced in a wide range of contracting activities.
- DOD recognizes these differences and has a process for matching staffing needs with available personnel, identified in its individual augmentation policy (Chairman of the Joint Chiefs of Staff Instruction 1301.01C) for providing DOD personnel during contingencies. However, DOD has identified that this process has not always fulfilled personnel requests in a timely manner and that the military services face a shortfall in the availability of contracting personnel. DOD is in the process of assessing the size and capabilities of its contracting workforce to identify gaps it might have in meeting contracting workforce requirements. DOD officials explained that the Acquisition, Technology, and Logistics strategic workforce plan, to be issued in February 2009, will address how DOD plans to fill those workforce gaps.

**Section 2333 (d) (1)  
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- (D) A requirement to provide training (including training under a program to be created by the Defense Acquisition University) to contingency contracting personnel in—
- (i) the use of law, regulations, policies, and directives related to contingency contracting operations;
  - (ii) the appropriate use of rapid acquisition methods, including the use of exceptions to competition requirements under section 2304 of this title, sealed bidding, letter contracts, indefinite delivery indefinite quantity task orders, set asides under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), undefinitized contract actions, and other tools available to expedite the delivery of goods and services during combat operations or post-conflict operations;
  - (iii) the appropriate use of rapid acquisition authority, commanders' emergency response program funds, and other tools unique to contingency contracting; and
  - (iv) instruction on the necessity for the prompt transition from the use of rapid acquisition authority to the use of full and open competition and other methods of contracting that maximize transparency in the acquisition process.
- To provide training for contingency contracting personnel, DAU has revised and updated its contingency contracting training course, CON 234, which has been provided to over 200 contracting personnel since February 2008. According to DOD officials, this training is based, in part, on DOD's draft Expeditionary Contracting Policy, the *Joint Contingency Contracting Handbook*, and the draft Joint Publication 4-10. The provided course material, specifically, the *Joint Contingency Contracting Handbook*, for the revised CON 234 course contains information on
- (i) the use of law, regulations, policies, and directives related to contingency contracting operations;
  - (ii) the appropriate use of rapid acquisition methods, including the use of exceptions to competition requirements under section 2304 of this title, letter contracts, indefinite delivery indefinite quantity task orders, undefinitized contract actions, and other tools available to expedite the delivery of goods and services during combat operations or post-conflict operations; and
  - (iii) the appropriate use of rapid acquisition authority, commanders' emergency response program funds, and other tools unique to contingency contracting; and
  - (iv) the necessity for transition from the use of rapid acquisition authority to full and open competition and other methods of contracting.
- However, the *Joint Contingency Contracting Handbook* does not contain information on sealed bidding or set asides under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), though this information is discussed in other basic acquisition courses. DAU officials explained that the topics incorporated into CON 234 are those specific to operating in a contingency or expeditionary environment and contracting tools such as sealed bidding and 8(a) set asides are not typically used. Additionally, while the handbook does discuss the necessity for transitioning from the predominant use of rapid acquisition authorities during the sustainment phase, the handbook does not discuss how a contracting officer would determine when it is appropriate to transition from the use of these authorities. DAU officials explained that CON 234 instructors use scenario-based case studies to promote discussions on how to make such determinations, but we could not independently verify this without participating in the course.
- DAU is also developing a new advanced contingency contracting course targeted toward senior-level contracting personnel and anticipates its completion in fiscal year 2009. According to DAU officials, the advanced course is targeted toward contracting officers in leadership and supervisory positions and will encourage familiarity among contracting officers from different military services.

Section 2333 (d) (1) Contingency Contracting Matters	GAO's Assessment of Joint Policy Development and Implementation, as of October 1, 2008
(E) Appropriate steps to ensure that training is maintained for such personnel even when they are not deployed in a contingency operation.	<p>The draft Joint Publication 4-10 and Expeditionary Contracting Policy do not provide for specific training that must be maintained for contingency contracting personnel even when they are not deployed in a contingency operation. DAU officials, in coordination with representatives from the military services, identified a number of courses that, if taken, would qualify as training for contingency contracting personnel, but training requirements vary across the services and thus not all contracting officers may receive this training.</p> <p>While the military services certify completion of minimum training requirements for contracting personnel as specified by the Defense Acquisition Workforce Implementation Act, the certification levels do not identify specific training related to contingency contracting; therefore the certifications do not capture whether contingency contracting training has been maintained.</p> <p>DOD has developed a <i>Joint Contingency Contracting Handbook</i> to consolidate contingency contracting information for contingency contracting personnel. According to DOD, the handbook can be used for training at the home station and while deployed. Additionally, the Director of Defense Procurement, Acquisition Policy, and Strategic Sourcing (DPAP) has instructed the military departments to incorporate the joint contingency contracting handbook into unit-level training.</p>
(F) Such steps as may be needed to ensure jointness and cross-service coordination in the area of contingency contracting.	<p>DOD formed the Joint Contracting and Contractor Management Team and the Joint Contingency Contracting Working Group—both composed of members of each military department, DPAP, Joint Staff, and J4, among others—to develop the draft Joint Publication 4-10 and <i>Joint Contingency Contracting Handbook</i>, respectively. These documents are intended to standardize guidance and information related to integrating and conducting contracting in a joint environment.</p> <p>The draft Joint Publication 4-10 establishes doctrine for planning, conducting, and assessing operational contract support integration and contractor management functions in support of joint operations. It provides guidance and information related to integrating operational contract support and contractor management. The draft Joint Publication 4-10 provides an option for commanders to implement a joint approach to the management of contracting organizations during joint operations. However, because it is doctrine, commanders are not required to implement a joint approach even when multiple services are involved.</p>

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**Section 2333 (d) (2)  
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To the extent practicable, the joint policy for contingency contracting required by subsection (a) should be taken into account in the development of interagency plans for stabilization and reconstruction operations, consistent with the report submitted by the President under section 1035 of this Act on interagency operating procedures for the planning and conduct of stabilization and reconstruction operations.

According to draft Joint Publication 4-10, combatant commanders and their subordinate commands must ensure that interagency support requirements are properly addressed in the commanders' operational plans, including the relationships between DOD and non-DOD contracting entities.

Commanders' operational plans should describe contract support requirements, including to civilian agencies; however, DOD, the Joint Staff, and some combatant commands are unclear on who should be identifying and defining requirements for contractor support and what level of detail should be included in the combatant commanders' plans. Based on our analysis of information obtained from the combatant commands we contacted, including U.S. Central Command, U.S. European Command, U.S. Pacific Command, and U.S. Southern Command, few plans include contractor support requirements. According to DOD officials, to resolve this confusion, the Joint Staff has taken the lead on revising existing guidance contained in the Chairman of the Joint Chiefs of Staff Manual 3122.03C (17 Aug 2007) on how to develop a contractor support annex (also referred to as annex W), including the development of a Contractor Support Plan (CMP) and a Contractor Support Integration Plan (CSIP), which is included in the combatant commanders' operational plans. This revision is expected to be completed late 2008. Additionally, DOD officials characterize interagency planning as lacking.

Moreover, DOD officials we spoke with at two combatant commands, who are responsible for revising commanders' operational plans, were unaware of the Section 1035 Report for Improving Interagency Support for United States 21st Century National Security Missions and Interagency Operations in Support of Stability, Security, Transition, and Reconstruction Operations, issued in June 2007. In contrast, U.S. Southern Command has conducted several mission rehearsal exercises involving components of the Interagency Management System, a plan for interagency cooperation in reconstruction and stabilization operations, which is outlined in the section 1035 report.



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**Section 2333 (e) Training For Personnel Outside Acquisition Workforce**

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(1)\*

(1) The joint policy for requirements definition, contingency program management, and contingency contracting required by subsection (a) shall provide for training of military personnel outside the acquisition workforce (including operational field commanders and officers performing key staff functions for operational field commanders) who are expected to have acquisition responsibility, including oversight duties associated with contracts or contractors, during combat operations, post-conflict operations, and contingency operations.

\* As amended

DOD is currently revising DOD Instruction 3020.41, "Program Management for the Preparation and Execution of Acquisitions for Contingency Operations," which establishes policy and assigns responsibilities for program management for the preparation and execution of acquisitions for contingency operations and integration of DOD contractor personnel into military contingency operations outside the United States.

The draft instruction states that the secretaries of the military departments and the directors of the defense agencies and field activities will be responsible for incorporating the instruction into applicable policy, doctrine, programming, and training. Similarly, the Chairman of the Joint Chiefs of Staff will be responsible for incorporating the instruction into relevant joint doctrine and training.

The draft Joint Publication 4-10 states that the military department secretaries and services are responsible for ensuring that military personnel outside the acquisition workforce, who are expected to have acquisition responsibility (including oversight duties associated with contracts or contractors, during combat operations, post-conflict operations, and contingency operations) are properly trained.

Additionally, draft Joint Publication 4-10 states that the military department secretaries and services are responsible for integrating identified contract requirements into training simulations, mission rehearsals, and exercises. Moreover, service component commands assigned to a combatant or joint forces commander are responsible for executing operational specific collective and individual contract support integration and contract management training requirements.

Furthermore, in August 2008, the Deputy Secretary of Defense issued a policy memorandum directing the appointment of trained contracting officer's representatives (COR) prior to the award of contracts. According to DOD, CORs provide contract oversight and are generally members of the requiring activities. According to a recent report of DOD's Panel on Contracting Integrity, most contracting officers' representatives assigned to services contracts are not members of the acquisition workforce and serve as CORs as a collateral duty.

(2)\*

Training under paragraph (1) shall be sufficient to ensure that the military personnel referred to in that paragraph understand the scope and scale of contractor support they will experience in contingency operations and are prepared for their roles and responsibilities with regard to requirements definition, program management (including contractor oversight), and contingency contracting.

While draft DOD policies provide for training of military personnel outside the acquisition workforce who are expected to have acquisition responsibility, including oversight duties associated with contracts or contractors, during combat operations, post-conflict operations, and contingency operations, the policies do not ensure that the military personnel understand the scope and scale of contractor support they will experience in contingency operations and are prepared for their roles and responsibilities with regard to requirements definition, program management (including contractor oversight), and contingency contracting. U.S. Joint Forces Command<sup>h</sup> is developing two training programs for non-acquisition personnel. The first training program will be an online course for servicemembers preparing for deployment to theater and will consist of information necessary to operate effectively on contingency contracting matters and work with contractors on the battlefield. U.S. Joint Forces Command will develop course content based on contracting and contract management concepts discussed in Joint Publication 4-10. Furthermore, U.S. Joint Forces Command will collaborate with the services to ensure that the training incorporates examples of real-world operational conditions. DOD officials expect the online course to be available in March 2009. The second training program being developed is intended for the intermediate- and senior-level service schools. According to DOD officials, this training should be available in 2010. Because these courses are still under development, we were unable to determine if the course content will ensure that military personnel understand the scope and scale of contractor support and are prepared for their roles and responsibilities.

Within the services, only the Army has a number of training programs available that provide information to the operational field commanders and their staffs about their roles and responsibilities in contract and contractor management as well as their roles in the contracting process. In addition, the Army is providing training to units as they prepare to deploy. The remaining services did not identify plans or initiatives to develop and provide training for non-acquisition personnel. The services did indicate that they are anticipating utilizing the U.S. Joint Forces Command course to train their non-acquisition personnel.

Specific COR training is available online and in the classroom from DAU. Furthermore, according to DOD officials, the department is considering a certification program for CORs to ensure that they are qualified to provide oversight for the contracts to which they are assigned.

**Section 2333 (e) Training For Personnel Outside Acquisition Workforce**

**GAO's Assessment of Joint Policy Development and Implementation, as of October 1, 2008**

(3)*	The joint policy shall also provide for the incorporation of contractors and contract operations in mission readiness exercises for operations that will include contracting and contractor support.”	<p>Draft DOD policies direct the incorporation of contractors and contract operations in mission readiness exercises for operations that will include contracting and contractor support.</p> <p>DOD is currently revising DOD Instruction 3020.41. This draft document directs the combatant commanders to integrate requirements identification, contractor management, contractor integration, and any identified operational acquisition requirements into training simulations, mission rehearsals, and exercises. Furthermore, the instruction states that combatant commanders shall designate and identify the organization responsible for managing and prescribing processes to provide for the integration of contractors and operational acquisition in mission readiness exercises for operations that will include operational acquisitions and contractor support.</p> <p>Additionally, draft Joint Publication 4-10 states that the services are responsible for integrating identified contract requirements into training simulations, mission rehearsals, and exercises. Furthermore, U.S. Joint Forces Command is responsible for ensuring that key joint operational contract support challenges are incorporated into joint training venues as deemed appropriate.</p> <p>DOD, the Army, and the Marine Corps have begun to incorporate contractors and contract operations in mission readiness exercises for operations that will include contracting and contractor support. For example, U.S. Joint Forces Command has been incorporating contingency contracting concepts as well as hiring contractors to play their role in mission rehearsal exercises. Specifically, a private security contracting firm was hired to replicate storylines regarding battlefield coordination as well as security, medical, and misconduct issues. Additionally, the Army has a program to incorporate scenarios involving private security contractors into its Battle Command Training Program, which trains corps, division and brigade staff. The Army and the Marine Corps also incorporated scenarios on the rules of engagement and escalation of force involving private security contractors into unit predeployment training.</p>
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Source: GAO.

<sup>a</sup>The John Warner Defense Authorization Act for Fiscal Year 2007, section 854 (b).

<sup>b</sup>Several provisions of section 2333 of title 10 refer to interagency coordination. DOD defines interagency coordination as the coordination that occurs between elements of DOD and engaged U.S. government agencies for the purpose of achieving an objective. Interagency coordination would include the coordination efforts of DOD and the Department of Homeland Security to plan a response to a natural disaster or terrorist attack, for example.

<sup>c</sup>DOD Instruction 3020.41, formerly entitled “Contractor Personnel Authorized to Accompany the U.S. Armed Forces,” was first issued on October 3, 2005.

<sup>d</sup>While a draft of this report was at the agency for comment, DOD finalized Joint Publication 4-10, “Operational Contract Support”, which was signed on October 17, 2008.

<sup>e</sup>JP 4-10 establishes doctrine. According to a joint instruction, joint doctrine does not establish policy. Rather, joint doctrine is authoritative guidance and will be followed except when, in the judgment of the commander, exceptional circumstances dictate otherwise. Chairman of the Joint Chiefs of Staff Instruction 5120.02A, "Joint Doctrine Development System," Mar. 31, 2007 (current as of Apr. 3, 2008).

<sup>f</sup>DOD interprets this reference to subparagraph (6) as a typographical error. To avoid an unreasonable result, they have interpreted the intended reference to be to subparagraph (5).

<sup>g</sup>A flag officer refers to an officer holding the rank of general, lieutenant general, major general, or brigadier general in the U.S. Army, Air Force or Marine Corps or admiral, vice admiral, or rear admiral in the U.S. Navy. According to the draft Joint Publication 4-10 an officer leading this command would normally be a brigadier general, major general, or rear admiral.

<sup>h</sup>U.S. Joint Forces Command trains and provides forces from all services to commanders around the world to work together as a joint team.

Enclosure III: Comments from the Department of Defense



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE  
3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

NOV 17 2008

Mr. John Hutton  
Director, Acquisition and Sourcing Management  
U.S. Government Accountability Office  
441 G Street, N.W.  
Washington, DC 20548

Dear Mr. Hutton:

This is the Department of Defense (DoD) response to the GAO Draft Report, GAO-09-114R, "CONTRACT MANAGEMENT: DoD Developed Draft Guidance for Operational Contract Support, but Has Not Met All Legislative Requirements," dated October 17, 2008 (GAO Code 351226).

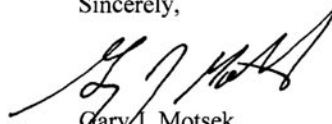
The Department twice responded directly to Congress on this subject. In accordance with the FY 2007 National Defense Authorization Act, Sec 854, paragraph (e)c(2), our first report entitled "Report on DoD Program for Planning, Managing, and Accounting for Contractor Services and Contract Personnel During Contingency Operations," dated October 2007, laid out a comprehensive framework for planning, managing, and accounting for contractor services and contractor personnel during contingency operations. The final report, "DoD Program for Planning, Managing, and Accounting for Contractor Services and Contract Personnel During Contingency Operations," dated April 2008, identified specific achievements to date and established a roadmap for fully implementing those requirements.

The Department believes this report prematurely speculates on the results of pending draft DoD directives, publications and instructions. We remain confident that when these documents are published in their final form, they will comply with applicable statutory requirements. Our technical comments were sent forward under a separate cover.



The Department appreciates the opportunity to review and comment on your findings. A similar letter is being sent to Ms Linda Kohn, Acting Director, Defense Capabilities and Management.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. J. Motsek', written in a cursive style.

Gary J. Motsek  
Assistant Deputy Under Secretary of Defense  
(Program Support)

## **Enclosure IV: GAO Contacts and Staff Acknowledgments**

### **GAO Contacts**

Linda Kohn at (202) 512-7114 or kohnl@gao.gov or

John Hutton at (202) 512-4841 or huttonj@gao.gov

### **Acknowledgments**

In addition to the contacts named above Penny Berrier Augustine, Assistant Director; Laura Czohara; Keya Chateauneuf; Grace Coleman; Robert Grace; Justin Jaynes; Eli Lewine; Ricardo Marquez; Karen Thornton; and Matthew Voit made key contributions to this report.

## **Related GAO Products**

*Military Operations: DOD Needs to Address Contract Oversight and Quality Assurance Issues for Contracts Used to Support Contingency Operations.* GAO-08-1087. Washington, D.C.: September 26, 2008.

*Rebuilding Iraq: DOD and State Department Have Improved Oversight and Coordination of Private Security Contractors in Iraq, but Further Actions Are Needed to Sustain Improvements.* GAO-08-966. Washington, D.C.: July 31, 2008.

*Defense Contracting: Army Case Study Delineates Concerns with Use of Contractors as Contract Specialists.* GAO-08-360. Washington, D.C.: March 26, 2008.

*Defense Management: DOD Needs to Reexamine Its Extensive Reliance on Contractors and Continue to Improve Management and Oversight.* GAO-08-572T. Washington, D.C.: March 11, 2008.

*Military Operations: Implementation of Existing Guidance and Other Actions Needed to Improve DOD's Oversight and Management of Contractors in Future Operations.* GAO-08-436T. Washington, D.C.: January 24, 2008.

*Defense Acquisitions: DOD's Increased Reliance on Service Contractors Exacerbates Long-standing Challenges.* GAO-08-621T. Washington, D.C.: January 23, 2008.

*Defense Logistics: The Army Needs to Implement an Effective Management and Oversight Plan for the Equipment Maintenance Contract in Kuwait.* GAO-08-316R. Washington, D.C.: January 22, 2008.

*Defense Contract Management: DOD's Lack of Adherence to Key Contracting Principles on Iraq Oil Contract Put Government Interests at Risk.* GAO-07-839. Washington, D.C.: July 31, 2007.

*Defense Acquisitions: Improved Management and Oversight Needed to Better Control DOD's Acquisition of Services.* GAO-07-832T. Washington, D.C.: May 10, 2007.

*Military Operations: High-Level DOD Action Needed to Address Long-standing Problems with Management and Oversight of Contractors Supporting Deployed Forces.* GAO-07-145. Washington, D.C.: December 18, 2006.

*Rebuilding Iraq: Continued Progress Requires Overcoming Contract Management Challenges.* GAO-06-1130T. Washington, D.C.: September 28, 2006.

*Iraq Contract Costs: DOD Consideration of Defense Contract Audit Agency's Findings.*

GAO-06-1132. Washington, D.C.: September 25, 2006.

*Military Operations: Background Screenings of Contractor Employees Supporting Deployed Forces May Lack Critical Information, but U.S. Forces Take Steps to Mitigate the Risk Contractors May Pose.* GAO-06-999R. Washington, D.C.: September 22, 2006.

*Rebuilding Iraq: Actions Still Needed to Improve the Use of Private Security Providers.* GAO-06-865T. Washington, D.C.: June 13, 2006.

*DOD Acquisition Outcomes: A Case for Change.* GAO-06-257T. Washington, D.C.: November 15, 2005.

*Rebuilding Iraq: Actions Needed to Improve Use of Private Security Providers.* GAO-05-737. Washington, D.C.: July 28, 2005.

*Interagency Contracting: Problems with DOD's and Interior's Orders to Support Military Operations.* GAO-05-201. Washington, D.C.: April 29, 2005.

*Defense Logistics: High-Level DOD Coordination Is Needed to Further Improve the Management of the Army's LOGCAP Contract.* GAO-05-328. Washington, D.C.: March 21, 2005.

*Contract Management: Opportunities to Improve Surveillance on Department of Defense Service Contracts.* GAO-05-274. Washington, D.C.: March 17, 2005.

*Military Operations: DOD's Extensive Use of Logistics Support Contracts Requires Strengthened Oversight.* GAO-04-854. Washington, D.C.: July 19, 2004.

*Military Operations: Contractors Provide Vital Services to Deployed Forces but Are not Adequately Addressed in DOD Plans.* GAO-03-695. Washington, D.C.: June 24, 2003.

*Rebuilding Iraq: Fiscal Year 2003 Contract Award Procedures and Management Challenges.* GAO-04-605. Washington, D.C.: June 1, 2004.

*Contingency Operations: Army Should Do More to Control Contract Cost in the Balkans.* GAO/NSIAD-00-225. Washington, D.C.: Sept. 29, 2000.

*Contingency Operations: Opportunities to Improve the Logistics Civil Augmentation Program.* GAO/NSIAD-97-63. Washington, D.C.: February 11, 1997.

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