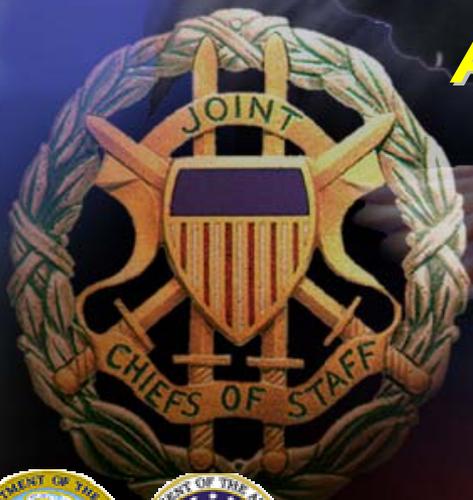


2004 DoD

Procurement Conference

Contractors on the Battlefield

A Joint & Industry Overview



CDR Gary Broadwell
Mr. Dennis Wright
Mr. Randy King
Dr. Ken Oscar
Ms. Marcia Bachman



Contractors On the Battlefield Panel

- **CDR Gary Broadwell**
 - The Joint Staff (J4)
 - Need for overarching DoD policy/procedures & joint doctrine
- **Mr. Dennis Wright**
 - Kellogg Brown and Root
 - Socio-economic implications of working with contractors in hostile areas
- **Mr. Randy King**
 - Army Staff (G4)
 - Army AFARS clause / Policy & doctrine on contractors accompanying the force & LOGCAP
- **Dr. Ken Oscar**
 - Fluor Government Group
 - Practical impact of contract approaches of different Govt agencies in Iraq
- **Ms. Marcia Bachman**
 - Secretary of the Air Force
 - USAF initiatives & legal issues

Prepare for the Next War, Not the Last



Here to Stay!

Contractors on the Battlefield--

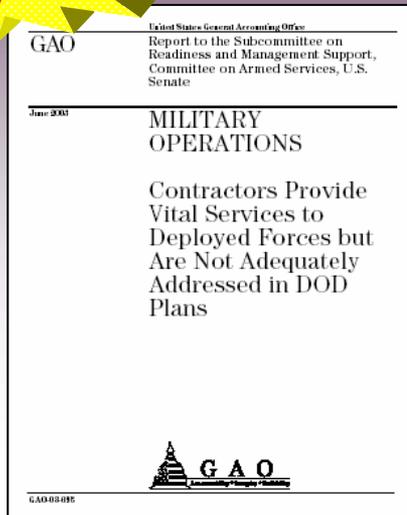
The Institutionalizing Process:

- ➔ **Develop Policy**
- ➔ **Address entire DOTMLPF Doctrine**
 - Organization (Force Structure)
 - Training
 - Material
 - Leadership
 - Personnel
 - Facilities



But Many Challenges!

Inadequate Policy



Contractors On the Battlefield

Issue

- Policy & doctrine inadequate

Bottom Line

- Warfighter needs policy for increased number of contractors
- Policy required *before* joint doctrine

Longstanding challenges...

- Tier 1 issue Focused Logistics Wargaming (FLOW)
- GAO identified shortfalls in Jun 03
- OIF Lessons Learned Reports

Way Ahead

- Joint group drafting DoD Directive & Instruction, *Management of Contractor Personnel during Contingency Operations*
- 1st draft Mar 04...2nd draft June 04
- DUSD(LM&R) sponsoring
- Develop joint doctrine *after* policy

Contractors and Civilians on the Battlefield

- **Finding:** DoD does not have assurance that essential combat support provided by contractors during peacetime will continue during crisis
- **Context:** Some skill sets are either no longer in the military or are available only in limited quantities. Commanders used contractors and civilians to conserve and augment scarce military skills. Civilians fulfilled roles in construction, laundry service, security, communications, sanitation, recreation, and worked as maintainers and translators.
- **Why it happened:**
 - Structure of forces is based on the Total Force Policy; all elements contribute to nation defense
 - Contractors/civilians have requirements commensurate with the threat and theater policy
 - Contractors/civilians accompanied military into war
 - Commanders had limited visibility and understanding of all contractor activity supporting their operations
- **What should be done:**
 - Review and identify mission essential services & equipment by contractors and incorporate them into planning
 - Develop guidance to maintain essential services to mission



Warfighter needs topcover!



**Policy before
Doctrine**



- **Noncombatant Status**
- **Location & Force Protection**
- **Uniforms**
- **Visibility**
- **Weapons**
- **Medical**



Contractors On the Battlefield Panel

Socio-Economic Factors Have Far Reaching Implications

“If you want to eliminate World Terrorism, you must first eliminate World Poverty, if you want to eliminate World Poverty, you must create Jobs”



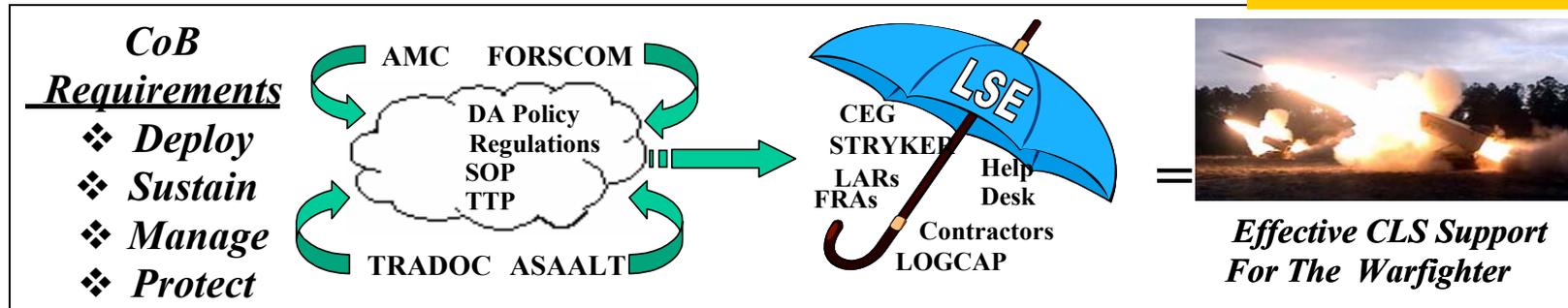
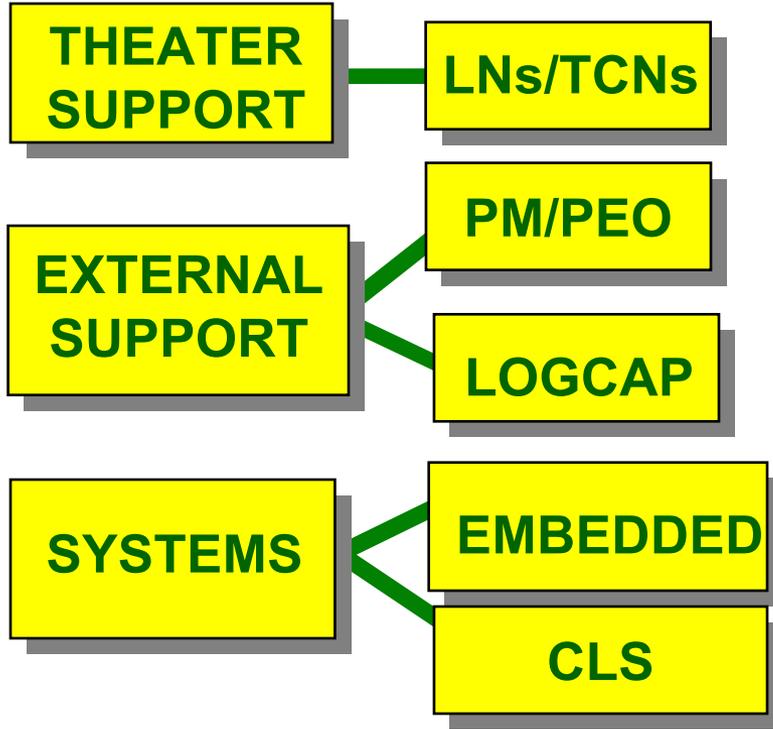
Gloria Macapagal-Arroyo
President, Republic of Philippines

- **Consider SBA Type Parallels**
 - **Mentor – Protégé Programs**
 - **Set Asides**
 - **Specific Goals**
- **Incentivize Contractors**
- **Contractual Requirements**
- **Create Jobs**

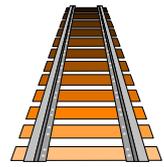
**Stabilization
Through
Economic Recovery**



Types of Contractor Support

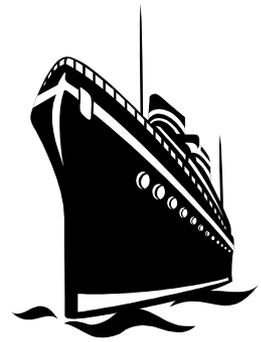
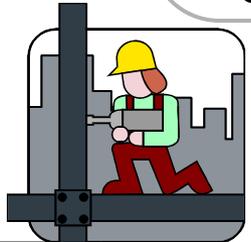


Capabilities & Services



SUPPLY OPERATIONS

- CLASS I (RATIONS & WATER)
- CLASS II (ORGANIZATIONAL CLOTHING & EQUIPMENT & ADMIN SUPPLIES)
- CLASS III (POL-BULK & PKG)
- CLASS IV (CONSTRUCTION MATERIALS)
- CLASS V (AMMUNITION)
- CLASS VI (PERSONAL DEMAND ITEMS)
- CLASS VII (MAJOR ITEMS)
- CLASS VIII (MEDICAL SUPPLIES)
- CLASS IX (REPAIR PARTS)



FIELD SERVICES

- LAUNDRY & BATH
- CLOTHING EXCHANGE
- CLOTHING REPAIR
- FOOD SERVICE
- MORTUARY AFFAIRS
- SANITATION
- BILLETING
- FACILITIES MANAGEMENT
- MWR
- INFORMATION MANAGEMENT
- PERSONNEL SUPPORT



OTHER OPNS & SERVICES

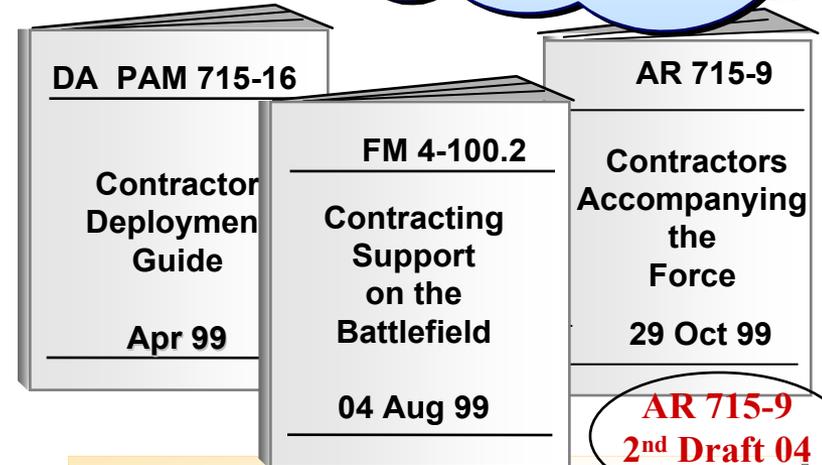
- MAINTENANCE
- TRANSPORTATION
- MEDICAL SERVICES
- ENGINEERING AND CONSTRUCTION
- SIGNAL
- RETROGRADE
- POWER GENERATION AND DISTRIBUTION
- STAMIS OPERATIONS
- PHYSICAL SECURITY

Where We Are Headed... Policy & Doctrine

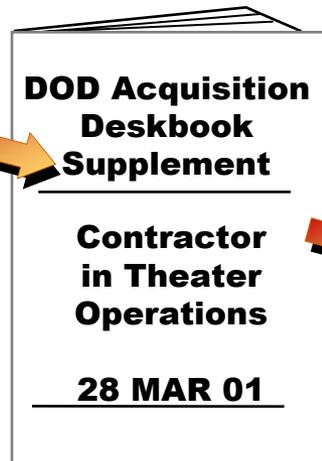
Deployment Guides and Basic Contracting on the Battlefield Policies provided general procedures affecting deployment of contractors

“The DOD components shall rely on the most effective mix of the total force, cost and other factors considered, including active, reserve, civilian, host-nation, and contract resources necessary to fulfill assigned peacetime and wartime mission.”

DODI 3020.37



Joint Pubs provides general management info for contractors in the field & clauses for contract development leading to new policy on location of contractors in the field and....



Current Doctrine Revision

- ❖ Contractor Integration
- ❖ Contractor Accountability
- ❖ Force Protection

Army First in DoD

With **AFARS Contract Policy on**
Contractors Accompanying the Force



Army IPTs
Review Needs &
Existing Documents
Spring 2003



'Field Test' Army AFARS
Clause since Nov 03

DA PAM 715-16
Contractor
Deployment
Guide
Apr 99

**GUIDE
BOOK**

AFARS

Contractors
Accompanying
the
Force

NOV 2003

Feedback to
HQDA from
Contractors and
Contracting
Officers

HQDA Published
in the Federal
Register as an
Interim Clause -
use immediately

DoD Draft
Final Clause
out for
Comments
April 04

Contractor Issues

- ◆ Fixed Price Contracts
- ◆ Security
- ◆ Communication
- ◆ Scope Definition
- ◆ Resourcing the Jobs
- ◆ Distribution of Work
 - Iraqi Contractors
 - US Small Business
 - Coalition Partners
- ◆ Cultural Sensitivity
 - Ethnic Considerations
 - Community Involvement
 - Business Practices
 - Training
- ◆ Indemnification



Iraq Subcontracting Issues



- ◆ Understanding Rules of Engagement
 - FAR Standards
 - Bremer's Orders
- ◆ Finding and Vetting Quality Subcontractors
 - Debathification
 - State Owned / Privately Held Firms
- ◆ Subcontracting with Iraqis
 - Letter Contracts and Verbal Direction
 - Advance Payments
- ◆ Cash Economy
- ◆ Assuring Performance

Lessons Learned

- ◆ Incremental Funding
- ◆ Staffing
- ◆ Reestablish Relationships – Turnover Issues
- ◆ Maintain Situational Awareness
- ◆ Company Needs a 24/7 Mindset
- ◆ Productivity Factors
- ◆ Everything is Difficult



Expected Future Developments

- ◆ Exchange Rates
- ◆ Labor Availability / Laws
- ◆ Economic Instability & Labor Rates
- ◆ Improved Logistics
- ◆ International Engagement
- ◆ Increased SB Involvement
- ◆ Maturity of Iraqi Construction Industry
- ◆ Continued DoD Reliance on Contractors
- ◆ Customs and Taxes





Air Force Initiatives

- **General Counsel Guidance Documents**
 - November 2003 – contractor practical issues
 - February 2004 – civil servants
 - In draft now – Law of Armed Conflict analysis

- **Chief of Staff for Personnel**
 - Working Group – deployment & training

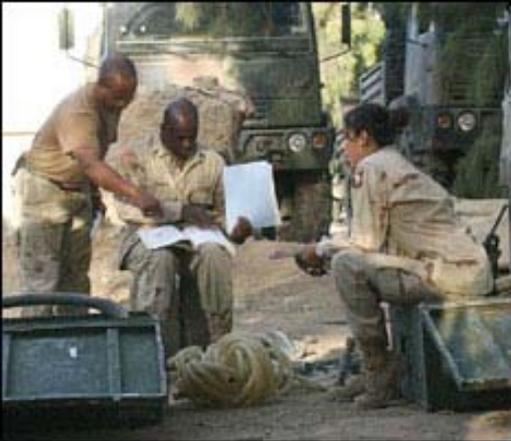
- **AFFARS clause -- mission essential Krs**



- **What jobs can contractors perform?**
 - **Arming of contractors**

- **Commander control over contractors**
 - **Mission Essential Services**
 - **Change Orders**
 - **Discipline**

- **Liability**



Questions?

