



DoD Improvement Plan for GAO High Risk Area – Contract Management

Presented to the ODA Forum

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DoD Improvement Plan – Tasks

August 16 memorandum

Tasks	Task Sub-elements
<p>Self-assessments</p> <p><i>Due: November 30, 2006</i></p>	<ul style="list-style-type: none"> • MilDepts/ODAs self assess sound use of appropriate contracting and contract administration techniques and approaches, specifically - - <ul style="list-style-type: none"> • Competition • Pricing • Quality assurance surveillance/oversight plans • Performance-based approaches
<p>Guidance & policy</p>	<ul style="list-style-type: none"> • Review guidance for use of task orders, competition, price reasonableness. • Establish goals for competitive award of task orders under multiple award contracts. • Review policy on quality assurance surveillance or written oversight plans.
<p>Data</p>	<ul style="list-style-type: none"> • Analysis of data already submitted by MilDepts/ODAs for “Top 20” services acquisitions.



| Back-up Slides



About the GAO High Risk Series

- ▶ “GAO's audits and evaluations identify federal programs and operations that, in some cases, are high risk due to their greater vulnerabilities to fraud, waste, abuse, and mismanagement. Increasingly, GAO also is identifying high-risk areas to focus on the need for broad-based transformations to address major economy, efficiency, or effectiveness challenges.”
- ▶ “...Given its size and mission, DoD is one of the largest and most complex organizations to manage in the world.”
- ▶ “...GAO has identified DoD’s weapon systems and contract management as high-risk areas for more than a decade [1992].
- ▶ “...To its credit, DoD has embarked on a series of efforts to reform...However, serious challenges and inefficiencies remain...”
- ▶ URL: <http://www.gao.gov/docsearch/featured/highrisk.html>



Summary of High Risk Issues

2005

- ▶ Increasing reliance on contracted services
- ▶ Reductions in the acquisition workforce
- ▶ Use of alternate contracting approaches
- ▶ Weaknesses in DoD's control environment
- ▶ Management of interagency contracting

2003

- ▶ Acquisition of services
- ▶ Appropriate use of contracting techniques
- ▶ Contract payment issues (overpayments)
- ▶ TRICARE contracts for health care services
- ▶ Acquisition workforce – size and skills

2001

- ▶ Greater procurement of sophisticated services
- ▶ Contract payment issues (overpayments)
- ▶ Pricing techniques
- ▶ TRICARE contracts for health care services

1999

- ▶ Contract payment issues (overpayments)
- ▶ Shrinking acquisition workforce
- ▶ Commercial pricing environment
- ▶ TRICARE contracts for health care services



DoD Improvement Plan - Scope

▶ Scope

- DoD Contract Management with focus on implementation of current policies.

▶ Goal

- Long-range strategic vision and department-side coordinated approach to improve the effectiveness of DoD contract management, with specific emphasis on contracting for services including IT and management support services; application of appropriate commercial best practices; use of appropriate contracting techniques and approaches; enhanced training; and development of a human capital strategic plan for DoD's civilian workforce.