



Panel on Contracting Integrity

Initial Meeting

June 13, 2007

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Meeting Goals

- ▶ Understand Panel Responsibilities/Duties
- ▶ Awareness of GAO Report Content
- ▶ Discuss Implementation/Concept of Operations
- ▶ Assign Tasks/Identify Actions
- ▶ Set Dates for Future Meetings



Panel on Contracting Integrity

- ▶ Section 813, John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364); Requires SECDEF to establish a Panel with a Department-wide perspective of procurement operations
- ▶ Congress desires a senior level management focus on contract integrity
- ▶ Shall terminate on December 31, 2009
- ▶ Shall convene at least once every six months
- ▶ Shall submit a report to Congress not later than Dec 31st each year (total of three reports) to include findings and recommendations
- ▶ Chairman: DUSD(A&T); Executive Director: Director, DPAP
- ▶ Panel Members Formally Designated by A&T on June 5, 2007



Panel Membership

- ▶ Army (IG rep TBD)
- ▶ Navy
- ▶ Navy
- ▶ Air Force
- ▶ Air Force
- ▶ DLA
- ▶ DCMA
- ▶ DCAA
- ▶ DARPA
- ▶ NSA
- ▶ NGA
- ▶ TRANSCOM
- ▶ DODEA
- ▶ DAU
- ▶ MDA
- ▶ SOCOM
- ▶ DGC(A&L)
- ▶ DoDIG
- ▶ DISA
- ▶ OASD(HA)/Tricare



Required Statutory Duties

- ▶ Conduct reviews of progress made by the Department of Defense to eliminate areas of vulnerability of the defense contracting system that allow fraud, waste, and abuse occur;
- ▶ Review the report by the Comptroller General required by section 841 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 199 Stat. 3389), relating to areas of vulnerability of Department of Defense contracts to fraud, waste, and abuse; and
- ▶ Recommend changes in law, regulations, and policy that it determines necessary to eliminate such areas of vulnerability.



First Report to Congress

- ▶ Due not later than December 31, 2007
 - Contains an examination of the current structure in DoD for contracting integrity
 - Recommendations for any changes needed to the system of administrative safeguards and disciplinary actions to ensure accountability at the appropriate level for any violations of appropriate standards of behavior in contracting
 - Contain a summary of the Panel's findings and recommendations for the year
- ▶ Panel may submit interim reports to Congressional defense committees



Discussion of Way Ahead



Implementation

- ▶ Form 7 Subcommittees led by members of the Panel and comprised of Panel appointed members to:
 - Address the five areas of vulnerability identified by the GAO
 - Sustained senior leadership
 - Capable acquisition work force
 - Adequate pricing
 - Appropriate contracting approaches and techniques
 - Sufficient contract surveillance
 - Address two areas required for the first report
 - Examine the current structure of contract integrity
 - Recommendations for change
- ▶ Holistic view of existing efforts/initiatives as they relate to the underlying objective of combating contract fraud, waste, and abuse



Concept of Operations - Panel

- ▶ Panel meets as necessary (minimum of two times per year) to provide direction and to review the efforts of the Executive Director who will in turn execute the mission of the Panel with the assistance from the members of the subcommittees
- ▶ Panel members appoint senior staff representative to assist the Executive Director in assessing the subcommittee recommendations and to assist in drafting the Report to Congress
- ▶ Panel determines near term objectives for the subcommittees
- ▶ Executive Director establishes schedule for Panel meetings



Concept of Operations - Subcommittees

- ▶ 7 subcommittees comprised of a lead Panel member with assistance from two other Panel members
- ▶ Briefs progress to Panel
- ▶ Lead establishes meeting schedule
- ▶ Assess Pertinent Information
- ▶ Maximize Outreach and Expertise (i.e., PFWG, ISDC)
- ▶ Develop Actionable Recommendations
- ▶ Subcommittee members will keep their respective Panel member informed of the subcommittee's progress and obtain Panel member feedback and direction between Panel meetings



Timeline and Actions

▶ June 07

- Panel Membership Formally Designated
- Convene Initial Panel Meeting
- Assign Subcommittee Leads
- Establish Milestones for Completing the Report to Congress
- Determine IG Representatives from the Army and Air Force

▶ July – Aug 07

- Subcommittee Leads meet with Chairman and Executive Director
- Subcommittees Meet



Timeline and Actions

- ▶ Sept 07
 - Panel Convenes

- ▶ Oct – Dec 07
 - Subcommittees Complete Efforts
 - Draft and Coordinate Report to Congress

- ▶ Dec 07
 - Panel Convenes
 - Dec 31st, First Annual Report to Congress Due



AT&L Recommendations Resulting from the Acquisition Integrity Analysis

- ▶ Prohibiting Senior Leaders from performing multiple roles on major acquisition projects
- ▶ Filling vacant positions from below on an acting basis until permanent appointments are made
- ▶ Requiring documentation of source selection processes at the HCA or agency level
- ▶ Requiring legal review of the source selection documentation prior to award
- ▶ Consider instituting periodic Acquisition Process Reviews of the MILDEPs