



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-3000

MAR 15 2004

DPAP/P

Mr. Robert Burton
Cost Accounting Standards Board
Office of Federal Procurement Policy
Office of Management and Budget
Washington, DC 20503

Dear Mr. Burton:

On August 9, 2000, the CAS Board requested public comments on how the Board should proceed with its comprehensive review of the CAS. In response to this request, on September 26, 2000, my office submitted a plan describing how the Board should proceed. In addition, we submitted a list of recommendations on key areas we believe the Board should consider in conducting that review. The recommendations identified potential ways to simplify and streamline the standards in light of acquisition reform and experience, with emphasis on relying upon commercial practices in those areas where there is not significant risk to the Government. Both the plan and the recommendations were developed based on input provided by interested parties at a series of public meetings conducted by the Director of Defense Procurement in August and September of 2000. On May 2, 2002, we resubmitted these recommendations for the CAS Board's consideration.

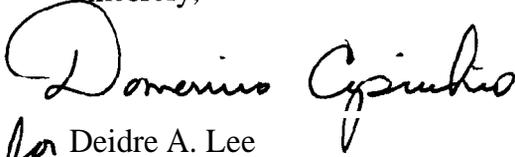
We recognize that resource restraints may make it difficult for the CAS Board to immediately move forward with all the recommendations contained in our September 26, 2000, letter. In recognition of this, we have attached a description of four items that we believe can serve as a starting point for the comprehensive review. The description for each item is provided in the format requested by the CAS Board in its August 9, 2000, request for public comments. We believe these items are an excellent starting point for the comprehensive review because they should require minimal staff and CAS Board effort and be non-controversial in nature.

My office would be pleased to work with your staff on this matter in whatever way would be most helpful. We are prepared to dedicate the time and resources that are necessary to move forward with meaningful improvements to existing CAS requirements.



If you have any questions or desire our assistance, please contact Mr. David J. Capitano, Senior Procurement Analyst, at 703-847-7486 or david.capitano@osd.mil.

Sincerely,


for Deidre A. Lee
Director, Defense Procurement
and Acquisition Policy

Enclosure:
As Stated

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