



ACQUISITION
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON DC 20301-3000

DEC 23 2008

MEMORANDUM FOR COMMANDER, UNITED STATES CENTRAL COMMAND
(J4 CONTRACTING)

COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)

COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)

DEPUTY ASSISTANT SECRETARY OF THE ARMY
(POLICY AND PROCUREMENT), ASA (ALT)

DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION & LOGISTICS MANAGEMENT),
ASN (RDA)

DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING), SAF/AQC

DIRECTORS, DEFENSE AGENCIES

DIRECTORS, DOD FIELD ACTIVITIES

SUBJECT: GAO Review of Contracting in Iraq and Afghanistan, Section 863, NDAA
2008 (GAO Code 120790)

The GAO has initiated work in response to a congressional mandate under Section 863 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law No: 110-181), to review and report on contracting in Iraq and Afghanistan. This is the second of three annual GAO reviews on contracting in Iraq and Afghanistan. For contracts, with contractor performance in Iraq or Afghanistan, DoD shall provide the GAO the following:

- 1) Total *number* of contracts and task orders awarded during the reporting period of FY 2008 and FY 2009 through 31 March 2009, where contractors performed in Iraq or Afghanistan;
- 2) Total *value* of contracts and task orders awarded in item #1 above, during the reporting period FY 2008 and FY 2009 through 31 March 2009;
- 3) Total *number* of active contracts and task orders as of 30 September 2008 and 31 March 2009, where contractors performed in Iraq or Afghanistan;
- 4) Total *value* of active contracts and task orders in item #3 above, as of 30 September 2008 and 31 March 2009; and
- 5) The extent to which subject contracts and task orders have used competitive procedures.

In addition to what is asked for above, the GAO may request additional information in the future on specific contracts or class of contracts of significant concern. If this occurs, a modification to this request will be issued. GAO is also required to report on the number of contractor personnel working on contracts with performance in Iraq and Afghanistan, but that information will be collected under a separate request.

Contracts in Iraq and Afghanistan include all contracts, at any tier, awarded and/or orders placed against a contract instrument of any kind, where contractor personnel physically perform to the terms of the contract in the countries of Iraq or Afghanistan, for a period greater than 14 days. Task or delivery orders issued by other Government agency contracts, for DOD, and which fit this description, shall also be reported.

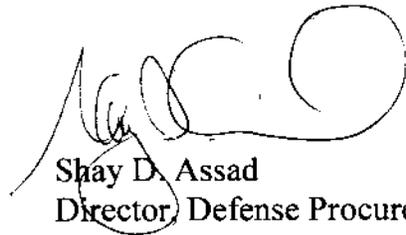
While the data requested is top level and summary in nature, it is likely GAO will request further breakdown of the details behind the numbers for each report. Reporting the source database managing the information is required. For contracts, state whether the source of the information provided is FPDS-NG, JCCS, or other specified database. Refer to attachment 1 MS Excel data sheet for the reporting format and required data fields.

The following is a NLT timeline of reporting to the Primary Action Officer (PAO) regarding the data requested, but early reporting is highly encouraged:

- FY 2008 contract data shall be reported to the PAO NLT 30 January 2009
- FY 2009 contract data (through 31 March 2008) shall be reported to the PAO NLT 30 April 2009.

The PAO will receive and provide the data to the GAO. Questions concerning this data request should be coordinated directly with the PAO. Attachment 2 provides additional information and answers to frequently asked questions regarding this GAO effort.

The PAO for this action is LTC Jeff Grover, at 703-699-3728, or email: jeffrey.grover@osd.mil.



Shay D. Assad
Director, Defense Procurement

Attachment:
As stated

ATTACHMENT 1

Source of Data:
 Date of query:
 Point of contact (Name, phone, email)

Contract Number	Order Number (if applicable)	Modification Number (if applicable)	Action Date	Change in Obligations	Country	Reason Not Completed	Vendor	Contract Vehicle	Multiple Award/Single Award	Contract Type	Description
DABCDJ-02-D0006	0162	0	11/08/2007	\$9,865,504	Iraq	FULL AND OPEN COMPETITION	Contracts-R-U's	Task Order	SINGLE	COST PLUS FIXED FEE	WARFIGHTER ANALYSIS AND INTEGRATION
DABCDJ-02-D0006	0162	1	02/22/2008	\$4,267,155	Iraq	FULL AND OPEN COMPETITION	Contracts-R-U's	Task Order	SINGLE	COST PLUS FIXED FEE	WARFIGHTER ANALYSIS AND INTEGRATION
DABCDJ-02-D0006	0162	2	04/03/2008	\$0	Iraq	FULL AND OPEN COMPETITION	Contracts-R-U's	Task Order	SINGLE	COST PLUS FIXED FEE	WARFIGHTER ANALYSIS AND INTEGRATION
DABCDJ-02-D0006	0162	3	04/17/2008	\$921,709	Iraq	FULL AND OPEN COMPETITION	Contracts-R-U's	Task Order	SINGLE	COST PLUS FIXED FEE	WARFIGHTER ANALYSIS AND INTEGRATION
WXYZMY-08-F-0045		P00010	3/11/2008	\$853,367	Iraq	NOT COMPETED	Work, Inc.	Contract	SINGLE	Time and Material	Management consulting services
WVWXYU-06-A-0006	27	2	3/5/2008	\$1,355,420.88	Afghanistan	NOT COMPETED	Joe's Security	BPA	SINGLE	Firm Fixed Price	Transport Services
WVWXYU-06-A-0006	27	3	3/29/2008	\$1,926,877.32	Afghanistan	NOT COMPETED	Joe's Security	BPA	SINGLE	Firm Fixed Price	Transport Services
ZYXWVU-09-D-0003	4	0	11/25/2008	\$16,432.00	Afghanistan	COMPETITIVE DELIVERY ORDER	Acme Contractor	Task Order	MULTIPLE		CONSTRUCTION OF GUARD TOWERS
WARCD0-06-M-0113		P00003	6/10/2008	-\$18,892.83	Afghanistan	FULL AND OPEN AFTER EXCLUSION OF SOURCES	Afghan Paper, Inc.	Purchase Order	SINGLE	Firm Fixed Price	Stationary

ATTACHMENT 2

GAO Contract Data Collection Instrument – Frequently Asked Questions

1. *What types of procurement instruments should I include?*

GAO mandate requires DoD to report on all contract vehicles with 14 days or more of performance in Iraq or Afghanistan. This includes contracts, purchase orders, task orders, delivery orders, and blanket purchase agreements. It does not include grants or cooperative agreements.

a. Should I include personal services contracts?

Yes. Personal services contracts are included in the scope and should therefore be reported.

2. *How should I report the information?*

Each contract action (i.e. award, task order, or modification) should be reported individually as a separate row of data in the MS Excel data sheet provided (see ATTACHMENT 1). For example, if a contract has 3 modifications, there should be 4 rows of data associated with that contract – one for the initial award and one for each of the three modifications. However, you only need to include the contract actions that occurred in fiscal year 2008 or the first half of fiscal year 2009. So, in the example above, if the contract was awarded in 2007 and the three modifications occurred in 2008, you only need to report the three modifications.

a. Can I roll-up all of the modifications for a contract in one year into a single row?

No. GAO needs each modification identified separately, including no cost modifications and deobligations. As part of their review, GAO will assess the reliability of the reported data. To do that, GAO will pull a random sample of contract actions and compare the reported data to what is in the contract file. If contract actions are ‘rolled up’ it is much more difficult to assess the reliability of the reported data.

b. In my contracting system, the task order and modification number are included in the contract number – do I have to separate those out into different fields?

No. If your contracting or financial system has a single field for the contract number, task order number, and/or modification number, you do not need to separate those numbers. In those cases you can simply leave task order and/or the modification number blank on the MS excel data sheet (ATTACHMENT 1).

c. Should I separate the data by fiscal year, contracting office, etc. and create a separate tab for each group?

ATTACHMENT 2

No – that is not necessary. You can report all contract actions as a single list in excel data sheet (ATTACHMENT 1).

3. *Does the 14 day threshold apply to contracts as a whole or to individual contract actions?*

The 14 day threshold applies to the period of performance of the entire contract or task order, and not just individual contract actions. If a contract has 14 days of performance in Iraq or Afghanistan, you should report all transactions for that contract that occurred in the period of review. For example, deobligations may have zero days of performance. However, they should be reported if the associated contract had 14 days or more of performance. If your system does not track the days of performance or if you are uncertain, include all contracts with performance in Iraq or Afghanistan.

4. *Is there a minimum dollar threshold?*

No. You should report all contract actions, including deobligations and no-cost modifications.

5. *What do you mean by 'Action Date?'*

For the initial award, 'Action Date' is the date the contract was awarded. For task orders, use the issue date of the task order rather than the date the underlying contract was awarded. For modifications, 'Action Date' is the date that the modification occurred. If there are multiple dates (for example, an approval date and a signed date), the date the action was signed is preferable.

6. *Should I include contracts where there is some performance in Iraq or Afghanistan, but most of the work occurred elsewhere?*

Yes – all contracts with periods of performance of 14 days or more in Iraq or Afghanistan should be reported, even if most of the work occurred outside of those two countries. GAO will add the appropriate caveats when reporting the data to inform readers that a portion of the obligations was for work outside of Iraq or Afghanistan.

a. *What should I enter for 'Country' in those cases?*

Ideally, GAO would like the information reported as 'Iraq,' 'Afghanistan,' or 'Both.' Use 'Iraq' for contracts with performance in Iraq (and other countries except Afghanistan); use 'Afghanistan' for contracts with performance in Afghanistan (and other countries except Iraq); and use 'Both' for contracts that have performance in Iraq and Afghanistan (and possibly other countries too).

b. *What should I enter for obligations in those cases?*

ATTACHMENT 2

For contracts with performance in multiple countries, you can simply report the change in obligations for the contract as a whole – you do not need to separate out obligations for Iraq and/or Afghanistan from obligations for performance in other countries. GAO will incorporate the appropriate caveats in their report to indicate that some of the obligations are for performance in countries other than Iraq or Afghanistan.

7. *My system only specifies that a contract was or was not competed and does not indicate the extent of competition– is that okay?*

Yes – you can report ‘yes’ or ‘no’ for competition if that is how your system is set up. GAO would prefer to know the extent of competition (i.e. full and open, full and open after exclusion of sources, etc.), but a simple ‘yes’ or ‘no’ is okay.

- a. *How should I report competition for task orders?*

For single award IDIQ contracts, the competition information should reflect the extent to which the base contract was competed. For multiple award IDIQ contracts, the competition information should reflect whether each offeror had fair opportunity to win the task order.

8. *What should I include under ‘Description’?*

The description should be the primary purpose of the contract at the lowest level of detail available. Use whatever description is included in the data source – for example, FPDS-NG contains a NAICS description. If your data system has multiple description fields, use the most detailed field.

9. *Who should I contact if I have additional questions about what information should be reported*

Please contact LTC Jeff Grover, DoD Primary Action Officer, 703-699-3728, Jeffrey.grover@osd.mil; Alise Nacson (202-512-3718, nacsona@gao.gov) or Brandon Booth (202-512-2857, booth@gao.gov).