



# Department of Defense's Use of Contractors to Support Military Operations: Background, Analysis, and Issues for Congress

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## Summary

Throughout its history, the Department of Defense (DOD) has relied on contractors to support a wide range of military operations. Operations over the last thirty years have highlighted the critical role that contractors play in supporting U.S. troops—both in terms of the number of contractors and the type of work being performed. Over the last decade in Iraq and Afghanistan, and before that, in the Balkans, contractors accounted for 50% or more of the total military force.

Regardless of whether future operations are similar to—or significantly different from—those of the past decade most analysts and defense officials believe that contractors will continue to play a central role in overseas military operations. Consequently, these observers believe that DOD should be prepared to effectively award and manage contracts at a moment's notice, anywhere in the world, in unknown environments, and on a scale that may exceed the total contract obligations of any other federal agency.

Contractors provide a wide range of services, from transportation, construction, and base support, to intelligence analysis and private security. The benefits of using contractors include freeing up uniformed personnel to conduct combat operations; providing expertise in specialized fields, such as linguistics or weapon systems maintenance; and providing a surge capability, quickly delivering critical support capabilities tailored to specific military needs. Because contractors can be hired when a particular need arises and released when their services are no longer needed, contractors can be less expensive in the long run than maintaining a permanent in-house capability.

Just as the effective use of contractors can augment military capabilities, the ineffective use of contractors can prevent troops from receiving what they need, when they need it, and can lead to the wasteful spending of billions of dollars. Contractors can also compromise the credibility and effectiveness of the U.S. military and undermine operations, as many analysts believe have occurred in recent operations in Iraq and Afghanistan. Improved planning for and management of contractors may not eliminate all problems, but it could mitigate the risks of relying on contractors during overseas operations.

DOD's use of contractors has been a significant oversight issue for Congress in recent years. With the help of Congress, DOD has made substantial progress to improve its use of operational contract support; however, many observers believe the military is not yet sufficiently prepared to use contractors in future operations. In their view, better planning, expanded educating and training, ensuring sufficient resources to effectively manage and oversee contractors, and providing operational commanders with more reliable data can help build the foundation for the more effective use of contractors. In light of current and future budget constraints, some observers are concerned that DOD may not be able to sufficiently fund efforts underway to effectively prepare for the use of contractors in future operations.

DOD's extensive use of contractors poses several potential policy and oversight issues for the 113<sup>th</sup> Congress, including

1. To what extent will potential budget cuts or force structure changes impact DOD reliance on contractors?
2. To what extent is DOD preparing for the role of contractors in future military operations?

3. To what extent is the use of contractors being incorporated into DOD education, training, and exercises?
4. What steps is DOD taking to ensure that sufficient resources will be dedicated to create and maintain the capabilities to ensure effective operational contract support in the future?

Congress' decisions on these issues could substantially affect the extent to which DOD relies on contractors and is capable of planning for and overseeing contractors in future operations.

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## Introduction

Over the last two decades, contractors have played a critical role in U.S. military operations, making up more than half of Department of Defense's (DOD) total workforce in Iraq, Afghanistan, and the Balkans. With the end of combat operations in Iraq and the drawdown of forces in Afghanistan, DOD is turning its attention to preparing for future military operations. As reflected in recent defense strategic planning guidance, the United States must prepare for a diverse range of security challenges.<sup>1</sup> Although future contingency operations may differ from those of the past decade, many analysts and defense officials believe that contractors will continue to play a central role in military operations.<sup>2</sup> These observers believe that, in order to meet the challenges of future operations, DOD should be prepared to effectively award and manage contracts at a moment's notice, anywhere in the world, in unknown environments, and on a scale that may exceed the total contract obligations of any other federal agency.

This report provides background information and identifies issues for Congress on the use of contractors to support military operations. DOD's extensive use of contractors poses several potential policy and oversight issues for Congress and has been the focus of numerous hearings. Congress' decisions on these issues could substantially affect the extent to which DOD relies on contractors in and is capable of planning for and overseeing contractors in future operations.

Related CRS reports include CRS Report R42084, *Wartime Contracting in Afghanistan: Analysis and Issues for Congress*, by Moshe Schwartz, which focuses on the challenges of contract support in Afghanistan, and CRS Report R41820, *Department of Defense Trends in Overseas Contract Obligations*, by Moshe Schwartz and Wendy Ginsberg, which focuses on trends in DOD contract obligations around the world.

## The Role of Contractors in Military Operations

DOD has long relied on contractors to support overseas military operations. Post-Cold War defense budget reductions resulted in significant cuts to military logistics and other support capabilities, requiring DOD to hire contractors to “fill the gap.”<sup>3</sup> Recent operations in Iraq and Afghanistan, and before that in the Balkans, have reflected this increased reliance on contractors supporting U.S. troops—both in terms of the number of contractors and the type of work being performed. According to DOD data, contractors, on average, represented just over half of the force in the Balkans, Afghanistan, and Iraq (see **Figure 1**).

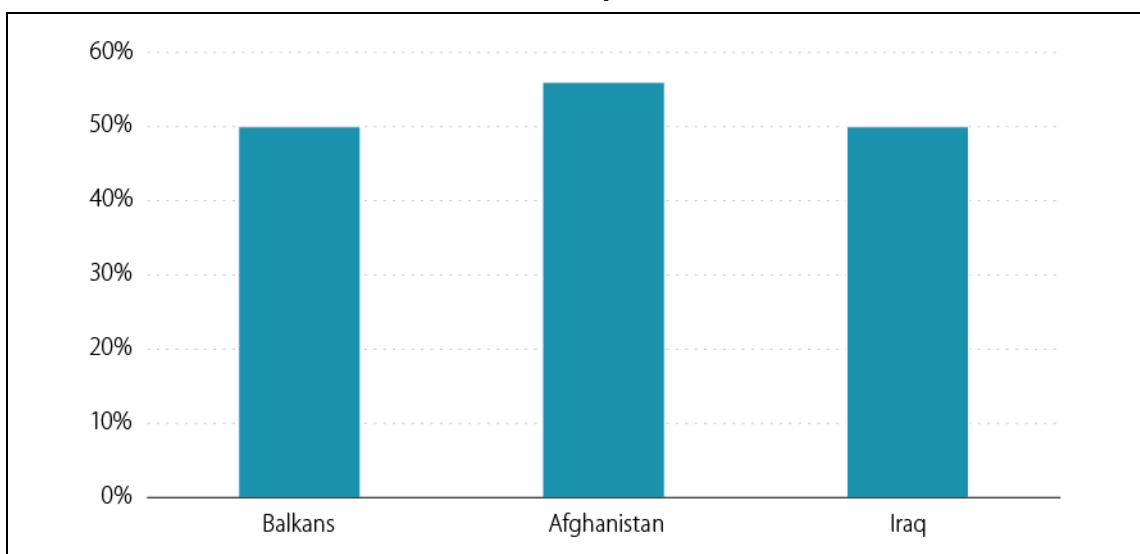
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<sup>1</sup> Department of Defense, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, January 2012, p. 1, 4-7.

<sup>2</sup> *Ibid.* Strategic planning guidance states the U.S. must be prepared for a diverse range of security challenges; however, military “forces will no longer be sized to perform long-term, prolonged stability operations,” p. 6. DOD's 2014 budget guidance further states that the military is transitioning from “a counterinsurgency-focused force to a force ready and capable of operating across a full range of operations.” See Department of Defense, *Defense Budget Priorities and Choices—Fiscal Year 2014*, April 2013, p. 8.

<sup>3</sup> Department of Defense, *Report of the Quadrennial Defense Review*, May 1997, Section 8. See <http://www.dod.mil/pubs/qdr/sec8.html>.

**Figure 1. Contractor Personnel as Percentage of DOD Workforce in Recent Operations**



**Source:** Balkans: Congressional Budget Office. *Contractors' Support of U.S. Operations in Iraq*. August 2008, p. 13; Afghanistan: CRS analysis of DOD data, calculated as an average for the period September 2007–March 2013; Iraq: CRS analysis of DOD data, calculated as an average for the period September 2007–March 2011.

**Note:** DOD did not begin releasing data on contractors in U.S. Central Command until the second half of 2007.

As of March 2013, there were approximately 108,000 DOD contractor personnel in Afghanistan, representing 62% of the total force (see **Appendix A**). Of this total, there were nearly 18,000 private security contractors, compared to 65,700 U.S. troops.<sup>4</sup> Over the last six fiscal years, DOD obligations for contracts performed in the Iraq and Afghanistan areas of operation were approximately \$160 billion and exceeded total contract obligations of any other U.S. federal agency (see **Appendix B**).<sup>5</sup>

According to government officials and analysts, the military is unable to effectively execute many operations, particularly those that are large-scale and long-term in nature, without extensive operational contract support.<sup>6</sup> Even in short-term operations, contractors can play a variety of critical roles. For example, the first fragmentary order for *Operation Tomodachi*—DOD's response to the earthquake and tsunami that struck Japan in 2011—involved contract support.<sup>7</sup> Given the extensive role of contractors in military operations, many DOD officials and analysts consider contract management a mission-essential task.

<sup>4</sup> Department of Defense, *Contractor Support of U.S. Operations in the USCENTCOM Area of Responsibility to Include Iraq and Afghanistan*, April 2013; Boots on Ground Report, March 2013.

<sup>5</sup> Iraq areas of operation are Iraq, Bahrain, Kuwait, Qatar, Saudi Arabia, Turkey, the United Arab Emirates, Oman, and Jordan. Afghanistan areas of operation are Afghanistan, Kazakhstan, Kyrgyzstan, Pakistan, Turkmenistan, Tajikistan, and Uzbekistan.

<sup>6</sup> Department of Defense, Office of the Undersecretary of Defense for Acquisition, Logistics, and Technology, *Department of Defense Program for Contingency Contracting Planning, Oversight, and Visibility: Report to the Congress of the United States*, November 2010, p. 18.

<sup>7</sup> Department of Defense, Pacific Command J4. *Fragmentary Order for Joint Contracting Support Board for Operation Tomodachi*. March 21, 2011, p.1-2. DOD directed US Forces Japan to establish a Joint Contracting Support Board within 24 hours. A fragmentary order is used to modify or execute a branch or sequel an existing operations order.

DOD has recognized the role contractors are likely to play in future operations. As stated in its Budget Request for FY2013, operational contract support is a critical function in support of military operations, natural disasters, and unanticipated calamities.<sup>8</sup>

### What is Operational Contract Support?

*Operational contract support* is the term used in DOD doctrine to describe the use of contractors to support military operations.<sup>9</sup> Operational contract support is the process of planning for and obtaining goods and services from commercial sources to support operations (including contractor management and oversight).

A number of different terms are commonly used by various observers to describe the use of contractors during operations, including *operational contract support*, *contingency contracting*, *expeditionary contracting*, and *wartime contracting*.

- *Contingency contracting* refers to the act of procuring goods and services in support of a contingency operation as defined in 10 USC 101(a)(13).
- *Expeditionary contracting* refers to the act of procuring goods and services in support of both overseas and domestic emergency operations.
- *Wartime contracting* generally refers to operational contract support in a wartime environment. This term was popularized by the establishment of the Commission on Wartime Contracting in Iraq and Afghanistan.<sup>10</sup>

Operational contract support encompasses, but is not limited to, all of these terms.

**Operational contract support is more than just the process of executing a contract; it includes planning, identifying a requirement, contracting, management and oversight, payment, and contract closeout (as depicted below).**



Contractors can provide significant operational benefits to DOD, including freeing up uniformed personnel to conduct combat operations; providing expertise in specialized fields, such as linguistics or weapon systems maintenance; and providing a surge capability, quickly delivering critical support capabilities tailored to specific military needs. Contractors are often responsible for such critical tasks as providing armed security to convoys and installations, providing life support to forward deployed warfighters, conducting intelligence analysis, and training local security forces. Because contractors can be hired when a particular need arises and released when their services are no longer needed, contractors can be less expensive in the long run than maintaining a permanent in-house capability. And when a decision is made to limit the number of troops on the ground, contractors can fulfill critical manpower needs.

<sup>8</sup> Department of Defense, *Fiscal Year 2013 Budget Request Overview*, February 2012, p. 3-5.

<sup>9</sup> DOD's doctrinal definition of operational contract support is, "the process of planning for and obtaining supplies, services, and construction from commercial sources in support of joint operations along with the associated contractor management functions." See Joint Publication 4-10, *Operational Contract Support*, October 2008, p. 167.

<sup>10</sup> The Commission on Wartime Contracting was established pursuant to Public Law 110-181 to assess the extent of fraud, waste, and abuse associated with contracts supporting operations in Iraq and Afghanistan.



Just as the effective use of contractors can augment military capabilities, the ineffective use of contractors can prevent troops from receiving what they need, when they need it, and can lead to the wasteful spending of billions of dollars—dollars that could have been used to fund other operational requirements.<sup>11</sup> Contractors can also compromise the credibility and effectiveness of the U.S. military and undermine operations, as many analysts believe happened in Iraq and Afghanistan.<sup>12</sup> Improved planning for and management of contractors may not eliminate all problems, but it could mitigate the risks of relying on contractors during overseas operations.<sup>13</sup>

## DOD Was Inadequately Prepared for the Use of Contractors in Iraq and Afghanistan

DOD acknowledges that it was inadequately prepared to execute large-scale operational contract support in Iraq and Afghanistan.<sup>14</sup> Military commanders and service members have indicated that they were not prepared for the extent of contractor support in Iraq and did not receive enough training to prepare them to manage or work with contractors.<sup>15</sup> Some stated that they did not receive enough exposure to the role of contractors in military operations in the curriculum at professional military educational institutions.<sup>16</sup> An Army commission found that Contracting Officer's Representatives responsible for managing contractors are generally drawn from combat

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<sup>11</sup> Department of Defense, *Quadrennial Defense Review Report*, February 2010, p. 93. U.S. See also Government Accountability Office, *Stabilizing And Rebuilding Iraq: Actions Needed to Address Inadequate Accountability over U.S. Efforts and Investments*, GAO-08-568T, March 11, 2008, p. 4,6; *Urgent Reform Required: Army Expeditionary Contracting*, Op. Cit., p. 2-3.

<sup>12</sup> Many observers believe that the fallout from Abu Ghraib and other incidents, such as the shooting of Iraqi civilians by private security contractors hired by the United States government, have hurt the credibility of the U.S. military and undermined efforts in Iraq. See also: Department of Defense, *Quadrennial Defense Review Report*, February 2010, p. 93; Commission on Wartime Contracting In Iraq and Afghanistan, *Transforming Wartime Contracting: Controlling Costs, Reducing Risk, Final Report to Congress*, August, 2011, p. 5; U.S. Government Accountability Office, *Operational Contract Support: Management and Oversight Improvements Needed in Afghanistan*, GAO-12-290, March 29, 2012, p. 1-2.

<sup>13</sup> For example, according to an Army investigative report, a lack of good contractor surveillance at Abu Ghraib prison contributed to fostering a permissive environment in which prisoner abuses took place. See: Department of Defense, *Investigation of Intelligence Activities At Abu Ghraib*, August 23, 2004, p. 52. The report found "Proper oversight did not occur at Abu Ghraib due to a lack of training and inadequate contract management ... [T]his lack of monitoring was a contributing factor to the problems that were experienced with the performance of the contractors at Abu Ghraib." See also: Secretary of Defense Memorandum, *Strategic and Operational Planning for Operational Contract Support and Workforce Mix*, Jan 24, 2011, p. 1; U.S. Government Accountability Office, *Operational Contract Support: Sustained Leadership Needed to Better Prepare for Future Contingencies*, GAO-12-1026T, September 2012, p. 1; Commission on Wartime Contracting In Iraq and Afghanistan, *Transforming Wartime Contracting: Controlling Costs, Reducing Risk, Final Report to Congress*, August, 2011, p. 28.

<sup>14</sup> U.S. Congress, House Committee on Armed Services, Hearing on *Operational Contract Support: Learning from the Past and Preparing for the Future*, Joint Testimony of Hon. Alan F. Estevez, Assistant Secretary of Defense, Logistics and Materiel Readiness, and Brigadier General Craig C. Crenshaw, Vice Director, Joint Staff, J-4, 112<sup>th</sup> Congress, September 12, 2012, p. 2; U.S. Army, *Army Operational Contract Support Audit Analysis Project*, Results Summary, April 29, 2011, p. 1.

<sup>15</sup> U.S. Government Accountability Office, *DOD Needs to Reexamine Its Extensive Reliance on Contractors and Continue to Improve Management and Oversight*, GAO-08-572T, Highlights page, March 11, 2008; also based on discussions with military personnel deployed in Iraq.

<sup>16</sup> U.S. Government Accountability Office, *Operational Contract Support: Management and Oversight Improvements Needed in Afghanistan*, GAO-12-290, March 2012, p. 17; based on numerous CRS discussions with DOD personnel from 2009-2013.

units and receive little, if any, training on how to work with contractors.<sup>17</sup> Many analysts and officials believe that the military did not have enough trained oversight personnel or an adequate infrastructure to effectively execute and manage contractors in Iraq and Afghanistan.<sup>18</sup> In January 2009, Secretary of Defense Robert Gates acknowledged DOD's failure to adequately prepare for the use of contractors when he testified that the use of contractors occurred

without any supervision or without any coherent strategy on how we were going to do it and without conscious decisions about what we will allow contractors to do and what we won't allow contractors to do... We have not thought holistically or coherently about our use of contractors, particularly when it comes to combat environments or combat training.<sup>19</sup>

DOD acknowledges that there was no comprehensive plan for how to use contractors, and to what extent. As a result, the use of contractors was done on an ad-hoc basis, without significant consideration of implications for foreign policy and without putting in place the necessary oversight. Observers believe insufficient resources were dedicated to oversight, often resulting in poor performance, billions of dollars of waste, and failure to achieve mission goals. The Commission on Wartime Contracting found that, "too often using contractors [was] the default mechanism, driven by considerations other than whether they provide the best solution, and without consideration for the resources needed to manage them."<sup>20</sup>

## **Operational Versus Peacetime Contract Support**

Contract support in operational environments is different, and often more complex, than contract support in peacetime. In peacetime, the goal of contracting is generally to obtain the good or service that is required.<sup>21</sup> The measurements of success are generally getting the right good or service, on schedule, and at a fair price.<sup>22</sup> During operations, however—and particularly in an expeditionary or counterinsurgency environment—cost, schedule, and performance are often secondary to the larger strategic goals of achieving military objectives or denying popular support for the insurgency. For example, in peacetime, the primary purpose of building a road is often to have the road built to specification in the most efficient and least expensive way. Other policy

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<sup>17</sup> *Urgent Reform Required: Army Expeditionary Contracting*, Op. Cit., p. 43.

<sup>18</sup> U.S. Government Accountability Office, *Afghanistan: Key Oversight Issues*, GAO-13-218SP, February 2013, p. 31; *Operational Contract Support: Management and Oversight Improvements Needed in Afghanistan*, Op. Cit. p. 9, 23, 25; U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, Ad Hoc Subcommittee on Contracting Oversight, *The Comprehensive Contingency Contracting Reform Act of 2012 (S.2139)*, Testimony of Richard Ginman, Director, Defense Procurement and Acquisition Policy, Department of Defense, 112th Cong., 2nd sess., April 17, 2012, p. 6; Kathryn T.H. Syzmanski, Command Counsel U.S. Army Materiel Command in Atlanta on August 9, 2004. American Bar Association Section of Public Contract Law, *Contractors on the Battlefield: Exploration of Unique Liability and Human Relations Issues*, Volume II. See also CRS Report R42084, *Wartime Contracting in Afghanistan: Analysis and Issues for Congress*, by Moshe Schwartz; U.S. Government Accountability Office, *Military Operations: High-Level DOD Action Needed to Address Long-standing Problems with Management and Oversight of Contractors Supporting Deployed Forces*, GAO-07-145, December 18, 2006.

<sup>19</sup> U.S. Congress, Senate Committee on Armed Services, *To Receive Testimony on the Challenges Facing the Department of Defense*, 110th Cong., 2nd sess., January 27, 2009.

<sup>20</sup> Commission on Wartime Contracting in Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations*, *Second Interim Report to Congress*, February 24, 2011, Forward.

<sup>21</sup> Additional factors can come in to play in peacetime, including stimulating the economy and creating jobs.

<sup>22</sup> The Federal Acquisition Regulation (FAR 1.102) states that the goal of the government acquisition system is to promote public policy considerations, such as transparency, competition, and promotion of small business. Even within this context, these considerations often play a secondary role to the general focus on cost, schedule and performance.

considerations may be factored in (such as small business or environmental concerns), but if the road is built on time, on schedule, and to the required specifications, the contract is usually deemed a success. During operations, however, these may not be the right measures, as other goals may be equally or more important.<sup>23</sup> In a counterinsurgency, winning the support of the local village is often more important than staying on schedule; in responding to a humanitarian crisis, rapidly providing critical supplies may be more important than an increase in cost or meeting some technical specifications.

Contract risks can also differ greatly between peacetime and operational environments. Peacetime risks generally include cost overruns, schedule slips, and poor performance. Additional risks must be considered when awarding a contract in an operational environment. As then-Commander, International Security Assistance Force, Afghanistan, General John Allen, stated in his contracting guidance to commanders in Afghanistan, it is important to

look beyond cost, schedule, and performance. Evaluate the success of a contract by the degree to which it supports the Afghan people and economy and our campaign objectives. Include operational criteria in decisions to award contracts, such as the effect of the contract on security, local power dynamics, and the enemy.<sup>24</sup>

For these reasons, contract support in an operational environment is often far more complex to execute and difficult to evaluate than contract support in peacetime.<sup>25</sup>

The goods and services DOD buys during peacetime are very different from those during operations. In FY2012, 49% of all DOD contract obligations were for goods, 41% for services, and 10% for research and development (R&D).<sup>26</sup> By contrast, in Afghanistan, nearly 80% of DOD contract obligations in FY2012 were for services, 16% for goods, and 5% for R&D (See **Figure 2**).<sup>27</sup> Most analysts believe that buying services is more complex than buying goods, adding further complexity to using contractors to support operations.<sup>28</sup>

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<sup>23</sup> A number of analysts have raised concerns over the sustainability of infrastructure projects in Afghanistan. According to the Commission on Wartime Contracting in Iraq and Afghanistan, “spotting and assessing the threat of waste from an unsustainable project is not as simple as examining construction quality, performance, of services, schedule, compliance, or the accuracy of labor and materiel billings.” See Commission on Wartime Contracting in Iraq and Afghanistan, *Sustainability: Hidden Costs Risk New Waste*, June 3, 2011, p .2.

<sup>24</sup> General John R. Allen, Commander International Security Assistance Force-Afghanistan, COMISAF’s Counterinsurgency (COIN) Contracting Guidance, Headquarters, International Security Assistance Force-Afghanistan, Kabul, Afghanistan, September 18, 2011, p. 3.

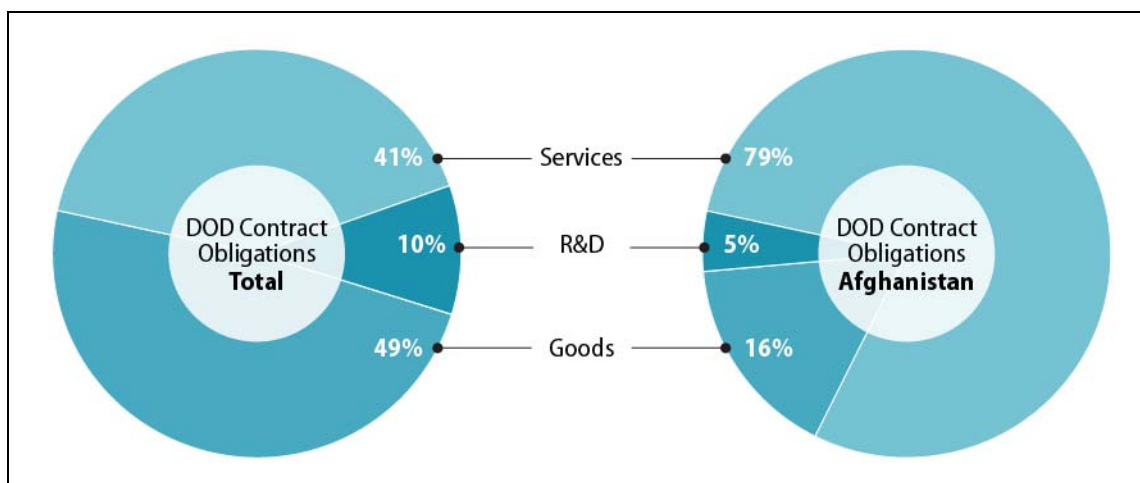
<sup>25</sup> For an in-depth discussion of the differences between operational and peacetime contracting, see CRS Report R42084, *Wartime Contracting in Afghanistan: Analysis and Issues for Congress*, by Moshe Schwartz.

<sup>26</sup> Calculations are based on DOD total contract obligations in FY2012 from Federal Procurement Data System—Next Generation, March, 2013. For further analysis of contract obligations, see CRS Report R41820, *Department of Defense Trends in Overseas Contract Obligations*, by Moshe Schwartz and Wendy Ginsberg.

<sup>27</sup> Calculations are based on DOD contract obligations for performance in Afghanistan in FY2012 from Federal Procurement Data System—Next Generation, March, 2013. Values do not add up to 100% due to rounding.

<sup>28</sup> Office of the Undersecretary of Defense (AT&L), *Improvements to Services Contracting*, Report of the Defense Science Board Task Force, March 2011, Executive Summary.

**Figure 2. DOD Peacetime vs. Operations Contract Obligation Trends**  
FY2012



**Source:** CRS analysis of data from Federal Procurement Data System—Next Generation, March 2013.

Some of the weaknesses of the current federal government acquisition process can be exacerbated by, and exploited in, an operational environment, making it more difficult to adhere to best practices. These weaknesses include inadequate acquisition planning, poorly written requirements, use of the wrong type of contract, and an insufficient number of qualified and capable acquisition and contract oversight personnel.<sup>29</sup> For example, in an expeditionary environment, it is more difficult to write a good contract that incorporates the sometimes competing goals of counterinsurgency contracting, more difficult to research and evaluate companies bidding on a contract, and more difficult to conduct oversight of projects being built in dangerous locations. It is also more difficult to protect against contracting fraud and corruption in countries that have weak law enforcement and judicial systems. Corrupt officials and warlords can exploit these weaknesses to divert contracting funds to their own coffers.<sup>30</sup>

Many of the differences between using contractors in peacetime versus in expeditionary operations were not readily apparent prior to military operations in Iraq and Afghanistan. One DOD analysis stated that standard acquisition funding procedures and regulations hindered effective execution of contract support in Iraq and Afghanistan. The report went on to state that, over time, virtually all leaders came to realize how different expeditionary operations are from business as usual in the United States.<sup>31</sup> Given the unique needs of DOD during an operation, peacetime contracting may not adequately prepare government personnel for the use of operational contract support. This has led many analysts and DOD officials to believe that the military needs to change the way it thinks about operational contract support, transforming it from an afterthought to a core competency.<sup>32</sup>

<sup>29</sup> See U.S. Government Accountability Office, *High Risk Series, An Update*, GAO-11-278, February, 2011, p. 125, and U.S. Government Accountability Office, *High Risk Series, An Update*, GAO-13-283, February 2013, p. 213.

<sup>30</sup> See CRS Report R42084, *Wartime Contracting in Afghanistan: Analysis and Issues for Congress*, by Moshe Schwartz.

<sup>31</sup> United States Corps of Engineers, *Core Counterinsurgency Asset: Lessons from Iraq and Afghanistan for United States Army Corps of Engineers*, May 2012, p. xv.

<sup>32</sup> Commission on Wartime Contracting In Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations*, Second Interim Report to Congress, February 24, 2011, p. 2.

## Consequences of Poor Use of Contractors in Iraq and Afghanistan

A number of analysts have attempted to quantify the extent of fraud, waste, and abuse in U.S. government contracts in Iraq and Afghanistan. The Special Inspector for Iraq Reconstruction estimated that waste associated with Iraq relief and reconstruction efforts totaled at least \$8 billion.<sup>33</sup> The Commission on Wartime Contracting estimated that between \$31 billion and \$60 billion was lost to contract waste and fraud in contingency operations in Iraq and Afghanistan.<sup>34</sup> While the total cost of contract fraud, waste, and abuse may never be known, there is general agreement that the billions of dollars squandered by numerous federal agencies as a result of insufficient planning, management, and oversight could have been used to achieve other operational priorities.

Abuses committed by contractors, including contractors working for both DOD and U.S. civilian agencies, can also strengthen anti-American insurgents.<sup>35</sup> There have been published reports of local nationals being abused and mistreated by DOD contractors in such incidents as the summary shooting by a private security contractor of an Afghan who was handcuffed,<sup>36</sup> the shooting of Iraqi civilians,<sup>37</sup> and the abuse of prisoners at Abu Ghraib prison in Iraq.<sup>38</sup>

Insufficient contractor oversight can also undermine military operations. U.S. government investigations found that U.S. money for contracts in Afghanistan has been used to pay the Taliban in exchange for security. The Office of the Inspector General for the U.S. Agency for International Development found “indications that Afghan subcontractors... had paid insurgents for protection in remote and insecure areas of Afghanistan.”<sup>39</sup> The majority report issued by the House Committee on Oversight and Government Reform’s Subcommittee on National Security and Foreign Affairs similarly found evidence that U.S. contractors made protection payments to local warlords to secure safe passage of supply convoys. The investigation further found that protection payments may even have gone to the Taliban.<sup>40</sup> A Senate Armed Services Committee report found evidence of U.S.-funded prime contractors supporting the Taliban and

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<sup>33</sup> Special Inspector for Iraq Reconstruction, *Learning from Iraq: A Final Report from the Special Inspector for Iraq Reconstruction*, March 2013, p. 20. \$8 billion estimate only includes projects associated with the five major funding streams associated with relief and reconstruction.

<sup>34</sup> Commission on Wartime Contracting In Iraq and Afghanistan, *Transforming Wartime Contracting: Controlling Costs, Reducing Risk, Final Report to Congress*, August, 2011, p. 1.

<sup>35</sup> Chairman of the Joint Chiefs of Staff, *Operational Contract Support*, Joint Publication 4-10, October 17, 2008, pp. IV-20; See also *Counterinsurgency*, p. 1-9. *Operational Contract Support* recognizes that local nationals may not always draw a distinction between government contractors and the U.S. military.

<sup>36</sup> Bruce Alpert, “Killing in Afghanistan hits very close to home; N.O. man is accused of cold-blooded crime,” *Times-Picayune*, December 17, 2008, p. 1.

<sup>37</sup> Mark Townsend, “National: Iraq victims sue UK security firm: Guards employed by Hampshire-based company are,” *The Observer*, January 11, 2009, p. 14.

<sup>38</sup> Department of Defense, Investigation of Intelligence Activities at Abu Ghraib, August 23, 2004. See <http://oai.dtic.mil/oai/oai?verb=getRecord&metadataPrefix=html&identifier=ADA429125>. The contractors involved in the Abu Ghraib incident are generally considered not to have been private security contractors.

<sup>39</sup> Office of the Inspector General for the U.S. Agency for International Development, *Report Review of Security Costs Charged to USAID Projects in Afghanistan*, Review Report No. 5-306-10-002-S, September 29, 2010, p. 2.

<sup>40</sup> Subcommittee on National Security and Foreign Affairs of the House Committee on Oversight and Government Reform, “Warlord Inc.: Extortion and Corruption Along the U.S. Supply Chain in Afghanistan,” June 22, 2010.

subcontracting to warlords.<sup>41</sup> According to many analysts, these events undermined the U.S. mission in Afghanistan and Iraq.<sup>42</sup>

## Efforts to Improve Operational Contract Support

In light of experiences in Afghanistan and Iraq, and in response to legislation and the findings of numerous Government Accountability Office and Inspectors General studies, DOD has taken a number of steps to improve how it uses contractors during operations.<sup>43</sup>

DOD made significant organizational changes aimed at improving the current use of contractors, including establishing the Joint Theater Support Contracting Command; the Army Contracting Command (and its subordinate, the Expeditionary Contracting Command);<sup>44</sup> Task Force 2010;<sup>45</sup> the vendor vetting cell;<sup>46</sup> and the Joint Contingency Acquisition Support Office.<sup>47</sup> DOD also upgraded or expanded existing organizations, such as the Joint Staff's Operational Contract Support Services Division<sup>48</sup> and the U.S. Army Corps of Engineers Transatlantic Division.<sup>49</sup>

DOD established a Functional Capabilities Integration Board, co-chaired by the Deputy Assistant Secretary of Defense for Program Support and the Joint Staff Vice Director of Logistics. This board is a forum for senior leaders to come together to address critical operational contract support issues.<sup>50</sup> Many officials from across DOD and the Services have credited the Functional

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<sup>41</sup> Senate Armed Services Committee, "Inquiry into the Role and Oversight of Private Security Contractors in Afghanistan," October 7, 2010.

<sup>42</sup> Commission on Wartime Contracting In Iraq and Afghanistan, *Transforming Wartime Contracting: Controlling Costs, Reducing Risk, Final Report to Congress*, August, 2011, p. 74; U.S. Government Accountability Office, *Afghanistan: Key Oversight Issues*, GAO-13-218SP, February 2013, p. 27.

<sup>43</sup> U.S. Government Accountability Office, *Warfighter Support: DOD Needs Additional Steps to Fully Integrate Operational Contract Support into Contingency Planning*, GAO-13-212, February 8, 2013, p. 3.

<sup>44</sup> The Army Contracting Command, established in 2008, is a two-star level command responsible for performing the majority of the U.S. Army's contracting activities around the world. See: <http://www.acc.army.mil/about/>.

<sup>45</sup> DOD established Task Force 2010 in July 2010 to help commanders and acquisition personnel better understand with whom they are doing business, to conduct investigations to gain visibility into the flow of money at the subcontractor levels, and to promote and distribute best contracting practices. See CRS Report R42084, *Wartime Contracting in Afghanistan: Analysis and Issues for Congress*, by Moshe Schwartz.

<sup>46</sup> The Afghanistan Vendor Vetting Cell was established to ensure that government contracts are not awarded to companies with ties to insurgents, warlords, or criminal networks. The cell was set up in the fall of 2010 and is based in Central Command headquarters in Tampa, FL. See CRS Report R42084, *Wartime Contracting in Afghanistan: Analysis and Issues for Congress*, by Moshe Schwartz.

<sup>47</sup> DOD established the Joint Contingency Acquisition Support Office (JCASO) to provide the joint force commander with the necessary assistance to plan, support, and oversee contingency contracting activities during the initial phases of a contingency operation. According to DOD, seventeen (17) JCASO planners are allocated among the Geographic Combatant Commands to assist the commander in identifying gaps where contractor support capability may be required. See: Department of Defense, *Contractor Support of U.S. Operations in the USCENTCOM Area of Responsibility to Include Iraq and Afghanistan*, January 2013.

<sup>48</sup> The Joint Staff J4's Logistics Service Division became the Operational Contract Support Services Division in 2010. This Division provides plans, policy, guidance, and oversight on operational contract support matters for the Chairman of the Joint Chiefs of Staff in accordance with Title 10 USC Section 153.

<sup>49</sup> The U.S. Army Corps of Engineers activated the Transatlantic Division in 2009 to consolidate requirements and manage its engineering operations throughout the Middle East and Central Asia.

<sup>50</sup> The Operational Contract Support Functional Capabilities Integration Board was chartered based on the authority set forth in Section 854 of the John Warner National Defense Authorization Act for 2007 (Public Law 109-364). See <http://www.acq.osd.mil/log/PS/fcib.html>.

Capabilities Integration Board with improving coordination and implementation of operational contract support policies.<sup>51</sup>

DOD has also significantly expanded regulation, policy, and doctrine related to operational contract support, including the following examples:

- In 2009, DOD released a directive entitled, *Orchestrating, Synchronizing, and Integrating Program Management of Contingency Acquisition Planning and its Operational Execution*.<sup>52</sup>
- In 2010, DOD updated its *Policy and Procedures for Determining Workforce Mix*, which addressed contractor personnel as part of the total force.<sup>53</sup>
- In 2011, a major update to the *Instruction Operational Contract Support* was released, which established roles and responsibilities for managing operational contract support.<sup>54</sup>
- In 2012, DOD updated its joint planning and execution policy to include operational contract support in many non-logistical functional areas, such as intelligence, personnel, and engineering.<sup>55</sup>
- In 2013, DOD developed standards for using private security contractors.<sup>56</sup>
- DOD is updating its Joint doctrine, *Operational Contract Support* (originally issued in 2008), which is due for release in early 2014.<sup>57</sup>
- DOD has published various reference materials to assist deploying personnel.<sup>58</sup>

In addition, DOD is improving the business systems that support overseas operations. For example, in an effort to combat contract fraud, DOD took cash off of the battlefield by introducing an electronic payment system. According to a 2012 report, total in-theater cash payments to vendors in Afghanistan were down to 1% of all payments in FY 2012, compared to 39% in 2008.<sup>59</sup>

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<sup>51</sup> Based on CRS interviews with DOD officials, February 2013. The Functional Capabilities Integration Board is overseeing the implementation of an *Operational Contract Support Action Plan*, which serves to track DOD's progress in closing the ten highest-priority operational contract support capability gaps. According to officials, the plan will guide planning and programing efforts to close urgent gaps by 2016.

<sup>52</sup> DOD Directive 3020.49 *Orchestrating, Synchronizing, and Integrating Program Management of Contingency Acquisition Planning and its Operational Execution*, March 2009.

<sup>53</sup> DOD Instruction 1100.22, *Policy and Procedures for Determining Workforce Mix*, April 2010. DOD is in the process of updating DOD Instruction 1100.22 as well as DOD Directive 1100.4, *Guidance for Manpower Management*.

<sup>54</sup> DOD Instruction 3020.41, *Operational Contract Support*, December 2011. In 2012, this Instruction was codified in 32 Code of Federal Regulations Part 158.

<sup>55</sup> Chairman of the Joint Chiefs of Staff Manual 3130.03, *Adaptive Planning and Execution (APEX) Planning Formats and Guidance*, October 2012.

<sup>56</sup> Private Security Contractor standards were required by Section 833 of the NDAA for FY2011. The American National Standards Institute validated these standards in March 2013.

<sup>57</sup> Joint Publication 4-10, *Operational Contract Support*, October 2008. Based on CRS discussion with DOD officials on February 6, 2013.

<sup>58</sup> DOD released its 4th Edition of the *Defense Contingency Contracting Handbook* and *Deployed Contracting Officer's Representative Handbook* in September 2012. See <http://www.acq.osd.mil/dpap/pacc/cc/index.html>.

<sup>59</sup> Department of Defense, *Fiscal Year 2013 Budget Request Overview*, February 2012, p. 3-7.

Since 2008, DOD has increased its total acquisition workforce by 21% to a total of over 150,000 acquisition personnel, which includes more than 30,000 contracting professionals.<sup>60</sup> DOD has also increased the number of Defense Contract Management Agency professionals supporting overseas missions.<sup>61</sup> To the extent that DOD improves its overall acquisition workforce, operational contract support may also improve.

## **What Has Enabled DOD Progress in Improving Operational Contract Support?**

While acknowledging that much still needs to be done, many analysts and DOD officials generally agree that DOD has significantly improved operational contract support, with most of its progress occurring since 2010.<sup>62</sup> Understanding what enabled this progress could help DOD more effectively prepare for the use of contractors in the future.

### ***The Experience of the Operational Force in Afghanistan and Iraq***

As discussed above, military commanders and service members were not prepared for the extent of contractor support and did not receive enough training to prepare them to manage or work with contractors. However, their experiences on the ground quickly highlighted the critical role of contractors in military operations. These experiences, including the abuse of prisoners at Abu Ghraib prison in Iraq and the summary shooting by a private security contractor of an Afghan who was handcuffed,<sup>63</sup> led to numerous internal efforts to examine contractor support, such as the report of the *Commission on Army Acquisition and Program Management in Expeditionary Operations* (known as the Gansler report). The experiences of the operational force also contributed to bringing the issue to the attention of senior leaders.

### ***Senior Leadership Focus on the Importance of Operational Contract Support***

Senior officials have made a concerted effort to elevate the importance of operational contract support and consider the role of contractors during contingency operations. In September 2010, then Commander, International Security Assistance Force, General David Petraeus, issued contracting guidance. The guidance articulated the importance of contracting in the overall mission, stating that contracting is “commander’s business.” The guidance also articulated clear and specific goals for contracting, including an emphasis on improving contract oversight and making contracting decisions that support overall mission objectives. In September 2011, within three months of assuming command, General John Allen updated the contracting guidance, with the intent of reinforcing the message that contracting plays a critical role in the overall mission.

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<sup>60</sup> Department of Defense, *Defense Acquisition Workforce Annual Count Comparison FY 2001- FY 2012*, PowerPoint Presentation, February 2013, p. 2-3.

<sup>61</sup> The Defense Contract Management Agency provides contract administration services to the Department of Defense, including contract management, quality assurance, and property administration. See Defense Contract Management Agency, *State of the Agency: Fiscal Year 2012*, p. 3-4, 11.

<sup>62</sup> Based on CRS discussions with DOD officials and analysis of contractor support from 2008-2013; see also U.S. Government Accountability Office, *Warfighter Support: DOD Needs Additional Steps to Fully Integrate Operational Contract Support into Contingency Planning*, GAO-13-212, February 8, 2013, p. 31.

<sup>63</sup> Bruce Alpert, “Killing in Afghanistan hits very close to home; N.O. man is accused of cold-blooded crime,” *Times-Picayune*, December 17, 2008, p. 1.



In 2012, the Chairman of the Joint Chiefs of Staff stated, “we should acknowledge that [operational contract support] is no longer a niche capability.... Contractors are part of our total military forces.”<sup>64</sup> This statement is consistent with those of other senior leaders, including the Secretary of Defense’s 2011 memorandum on “Strategic and Operational Planning for Operational Contract Support (OCS) and Workforce Mix,” which reinforced DOD-wide responsibilities for determining force mix, integrating contract support, as well as associated planning and resourcing.

### *Assigning Operational Contract Support Responsibilities to General Officers*

Many analysts and DOD officials have stated that assigning general/flag officers to key positions has been critical to improving operational contract support.<sup>65</sup> This effort began in 2008, when the Army established five new general officer positions with responsibility for acquisition.<sup>66</sup> In 2009, Congress authorized five general/flag officer billets for acquisition.<sup>67</sup> In addition to these ten new positions, DOD appointed general/flag officers to key operational contract support-related positions, such as Task Force 2010, Task Force *Shafafiyat*, and the Afghanistan Operational Contract Support Drawdown Cell. Some of these officers came from the operational and logistics communities, helping to break down the barriers between contracting and operations.

### *Education, Training, & Exercises*

DOD has expanded its training and exercises to address the role of contractors, and is continuing to incorporate operational contract support into Professional Military Education. In late 2012, DOD completed an Operational Contract Support Curriculum Guide, which captures specific learning objectives that will be used to inform Joint Professional Military Education at all levels.<sup>68</sup> In 2009, the Army launched a tactical-level Operational Contract Support course, which seeks to provide students a fundamental understanding of operational contract support planning, requirements development, and contract management. Over the last five years, over 1,500 DOD personnel have graduated from this course.<sup>69</sup> Based on the Army’s training model, DOD is

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<sup>64</sup> General Martin Dempsey, Chairman of the Joint Chiefs of Staff, Opening Remarks to Operational Contract Support Leader’s Conference, March 6, 2012.

<sup>65</sup> In its final report, the Gansler Commission stated that establishing General Officer positions responsible for contracting would, “improve support to military operations by having officers at the table planning and supporting the operation” and “increase the attractiveness of the contracting corps as a profession to quality officers,” p. 5.

<sup>66</sup> The Army established five General Officer billets for acquisition in 2009 based on recommendations made by the Gansler Commission. According to DOD, these positions currently reside within the: Army Contracting Command; Expeditionary Contracting Command; Mission and Installation Contracting Command; U.S. Army Corps of Engineers National Contracting Organization; and the office of the Assistant Secretary of the Army for Acquisition, Logistics, and Technology, in the office of the Deputy Assistant Secretary of the Army for Procurement. See: Assistant Secretary of Defense for Logistics and Materiel Readiness, *Cost Consciousness in Contingency Contracting*, June 2012, p. 4.

<sup>67</sup> Congress authorized five Joint billets for acquisition General/Flag Officers in Section 503 of the National Defense Authorization Act for 2009 (P. L. 110-147). According to DOD, these billets are assigned to the: Defense Contract Management Agency; Joint Contingency Acquisition Support Office; U.S. Central Command’s Joint Theater Support Contracting Command; and the Under Secretary of Defense for Acquisition, Technology and Logistics, Office of Defense Procurement and Acquisition Policy. See: Assistant Secretary of Defense for Logistics and Materiel Readiness, *Cost Consciousness in Contingency Contracting*, June 2012, p. 4.

<sup>68</sup> Operational Contract Support has been on the Chairman of the Joint Chiefs of Staff’s list of Special Areas of Emphasis for Professional Military Education since 2009. See *Operational Contract Support Learning Framework* at [http://www.acq.osd.mil/log/PS/OCS\\_edu.html](http://www.acq.osd.mil/log/PS/OCS_edu.html).

<sup>69</sup> Based on CRS discussion with Army officials on April 11, 2013.

developing a *Joint Operational Contract Support Planning and Execution Course* for operational planners.<sup>70</sup>

In January 2013, the Army held its fourth annual Joint Contracting Readiness Exercise (JCRX), which was attended by over three hundred contracting professionals from the Army Contracting Command, to include Expeditionary Contracting Command, Mission and Installation Contracting Command, Contracting Support Brigades, and representatives from other Services.<sup>71</sup> According to officials, planning is underway for next year's exercise, to be held with U.S. Northern Command, making it the first such exercise conducted with a combatant command.<sup>72</sup>

### ***Congressional Support***

Many analysts and senior DOD officials have stated that without the efforts of Congress, DOD would not have been as successful at improving operational contract support. Examples of Congressional action that are often cited as having contributed to improving operational contract support include:

- legislation that led to establishment of the office of the Deputy Assistant Secretary of Defense (Program Support),<sup>73</sup>
- legislation establishing general/flag officer billets for acquisition,<sup>74</sup>
- legislation establishing the Defense Acquisition Workforce Development Fund, and<sup>75</sup>
- oversight hearings that raised awareness of contractor abuses and led to the creation of Task Force 2010.

In addition, the establishment of the Special Inspector General for Iraq, the Special Inspector General for Afghanistan, and the Commission on Wartime Contracting in Iraq and Afghanistan elevated the importance of the use of contractors and generated recommendations that were adopted by both DOD and Congress (see Appendix C for an expanded legislative history).

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<sup>70</sup> U.S. Congress, House Committee on Armed Services, Hearing on *Operational Contract Support: Learning from the Past and Preparing for the Future*, Joint Testimony of Hon. Alan F. Estevez, Assistant Secretary of Defense, Logistics and Materiel Readiness, and Brigadier General Craig C. Crenshaw, Vice Director, Joint Staff, J-4, 112<sup>th</sup> Congress, September 12, 2012, p. 9.

<sup>71</sup> U.S. Army Contracting Command, *Joint Contracting Readiness Exercise 2013 Information Brief*, PowerPoint Presentation, April 2013, slide 13.

<sup>72</sup> Ibid., slide 14.

<sup>73</sup> Section 854 of the National Defense Authorization Act for 2007 (P.L. 109-364) led to the establishment of an Assistant Deputy Undersecretary of Defense for Program Support, which DOD later elevated to the Deputy Assistant Secretary of Defense for Program Support.

<sup>74</sup> Section 503 of the National Defense Authorization Act for 2009 (P.L. 110-147) added five Joint billets for General/Flag Officers to serve in Acquisition positions.

<sup>75</sup> Section 852 of the National Defense Authorization Act for 2008 (P.L. 110-181) enacted the Defense Acquisition Workforce Development Fund for the recruitment, training, and retention of acquisition personnel.

Figure 3. Select Legislative History

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| <p><b>2006</b></p> <ul style="list-style-type: none"> <li>Directed DOD to develop joint policies for requirements definition, contingency program management, and contingency contracting.</li> </ul>  | <p>contractors in significant areas of military operations.</p> <ul style="list-style-type: none"> <li>Required DOD to review standards and certification of private security personnel.</li> <li>Required DOD to establish policy to ensure proper development, assignment, and employment of civilian acquisition personnel.</li> </ul>  | <p>planning, and execution.</p> <ul style="list-style-type: none"> <li>Required DOD, DOS, and USAID to issue guidance regarding data collection on contract support for future overseas operations.</li> <li>Mandated the inclusion of operational contract support in certain requirements for DOD planning, joint professional military education, and management structure.</li> </ul>  |
| <p><b>2008</b></p> <ul style="list-style-type: none"> <li>Required contingency contracting training for non-acquisition personnel within DOD.</li> <li>Established the Defense Acquisition Workforce Development Fund.</li> <li>Required DOD, Department of State (DOS), and the U.S. Agency for International Development (USAID) to agree upon a central database for contract information.</li> <li>Directed DOD to develop regulations on the selection, training, equipping, and conduct of private security contractors.</li> <li>Authorized five Joint billets for General/Flag Officer to serve in Acquisition positions.</li> <li>Required DOD to establish policy to ensure proper development, assignment, and employment of military acquisition personnel.</li> </ul> | <p><b>2012</b></p> <ul style="list-style-type: none"> <li>Amended the definition of a contingency operation.</li> <li>Required DOD to address contractor support in the Quadrennial Defense Review.</li> <li>Required DOD to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to prohibit contracting with the enemy in the U.S. Central Command.</li> <li>Required DOD to amend the DFARS to allow access to the records of contractors and sub-contractors in U.S. Central Command.</li> <li>Granted authority for DOD to use 'reachback' contracting to support overseas contracting in Iraq and Afghanistan.</li> </ul> | <ul style="list-style-type: none"> <li>Required Combatant Commanders to develop a contractor reliance risk assessment and risk mitigation strategy for operational or contingency plans.</li> <li>Described responsibilities of inspectors general during overseas contingency operations.</li> <li>Updated the responsibility of senior acquisition personnel within DOD, DOS, and USAID for contingency contracting and contract oversight.</li> <li>Required agencies to establish and maintain a database on price trends of items and services under Federal contracts.</li> <li>Required DOD, DOS, and USAID to have independent suspension and debarment officials.</li> <li>Stipulated uniform contract writing system requirements.</li> <li>Enhanced the responsibilities of the Chairman of the Joint Chiefs of Staff regarding the inclusion of operational contract support in National Military Strategy.</li> </ul> |
| <p><b>2011</b></p> <ul style="list-style-type: none"> <li>Established a Government-wide contingency contracting corps to support domestic and overseas operations.</li> <li>Established oversight and accountability mechanisms for private security</li> </ul>  | <p><b>2013</b></p> <ul style="list-style-type: none"> <li>Extended expedited hiring authority to fill shortages in DOD's acquisition workforce through 2017.</li> <li>Required DOD to issue guidance on responsibility and authority for operational contract support policy,</li> </ul>   |  |

**Source:** CRS analysis of National Defense Authorization Acts for FY2007-FY2013.

**Note:** Dates represent year of enactment.

## Preparing for the Future

Despite the progress made to date, observers believe DOD still faces significant challenges in effectively utilizing and managing contractors to support current contractor support and prepare for future operations.<sup>76</sup> The 2010 Quadrennial Defense Review stated that the military's ability to

<sup>76</sup> U.S. Government Accountability Office, *Warfighter Support: DOD Needs Additional Steps to Fully Integrate Operational Contract Support into Contingency Planning*, GAO-13-212, February 8, 2013, p. 31; Commission on Wartime Contracting in Iraq and Afghanistan, *Transforming Wartime Contracting: Controlling Costs, Reducing Risk, Final Report to Congress*, August, 2011, p. 19; U.S. Government Accountability Office, *Operational Contract Support: Management and Oversight Improvements Needed in Afghanistan*, GAO-12-290, March 29, 2012, p. Highlights; U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, Ad Hoc Subcommittee on Contracting Oversight, *The Comprehensive Contingency Contracting Reform Act of 2012 (S.2139)*, Statement for the Record of Katherine Schinasi, 112th Cong., 2nd sess., April 17, 2012, p. 1; Joint Chiefs of Staff, J-4 (Logistics), *Operational Contract Support Strategic Update*, June 2012.

effectively and efficiently use contractors to provide operational support “is an enduring priority and an area where continued improvements must be made.”<sup>77</sup> Secretary of Defense Chuck Hagel reiterated this point when he stated

I believe that investments made over the last few years... have vastly improved the Department's ability to effectively manage contractors on the battlefield. If confirmed, I will continue to improve our capabilities in this critical area.<sup>78</sup>

DOD officials in 2013 stated that it could take four to five more years to fully institutionalize operational contract support.<sup>79</sup> In light of future budget constraints, some observers are concerned that DOD may not sufficiently fund the efforts to effectively institutionalize operational contract support and prepare for the use of contractors in future operations. DOD officials, however, believe that modest funding of education, training, and exercises in the near-term will likely save billions of dollars, and enable greater likelihood of operational success in the future.<sup>80</sup> For example, the cost to hold the JCRX exercise is estimated to be less than \$1.5 million annually.<sup>81</sup> Many analysts and senior DOD officials believe that Congress will play a pivotal role in determining the extent to which DOD funds and continues to implement its current initiatives.<sup>82</sup>

## Cultural Change

A number of analysts have argued that one of the reasons DOD did a poor job planning for and managing contractors in Iraq and Afghanistan is that contracting was not valued within the culture of the military. Contractors were often an afterthought in planning and execution, frequently viewed by the operational force as someone else's problem and not as a warfighter's responsibility. Because contract oversight is often a lower priority, it was frequently assigned to people who did not have the necessary management skills or subject matter expertise. Many talented DOD officials did not consider acquisition a viable career path.<sup>83</sup>

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<sup>77</sup> Department of Defense, *Quadrennial Defense Review Report*, February 2010, p. 76.

<sup>78</sup> U.S. Congress, Senate, Written Response to Advance Policy Questions for the Honorable Chuck Hagel, Nominee to be Secretary of Defense, 113th Cong., January 2013, p. 101.

<sup>79</sup> Joint Staff J4, "Operational Contract Support Strategic Update," 6th Annual Joint Staff Leader's Conference, March 5, 2013, p. 6.

<sup>80</sup> Based on CRS discussions with DOD officials, February-April, 2013. The importance of investing sufficient resources to ensure that the workforce is capable of managing the acquisition process was reinforced in Secretary Hagel's written confirmation testimony response to the Senate Armed Services Committee. The response reads

**[Question] Do you agree that the Department would be “penny-wise and pound foolish” to try to save money by cutting corners on its acquisition workforce at the risk of losing control over the hundreds of billions of dollars that it spends every year on the acquisition of products and services?**

**[Answer]** Yes. It is imperative that the Department of Defense act as a good steward of the resources entrusted to it by the American people. A properly qualified and sized acquisition workforce is central to maintaining this stewardship....

<sup>81</sup> Based on data provided by Army officials, March, 2013. According to officials, Defense Acquisition Workforce Development funds were used to fund JCRX 2013.

<sup>82</sup> Based on CRS discussions with analysts and DOD officials, February-April, 2013.

<sup>83</sup> Commission on Wartime Contracting In Iraq and Afghanistan, *Transforming Wartime Contracting: Controlling Costs, Reducing Risk, Final Report to Congress*, August, 2011, p. 117; Office of the Undersecretary of Defense (AT&L), *Improvements to Services Contracting*, Report of the Defense Science Board Task Force, March 2011, p. 23.

According to the Commission on Wartime Contracting, GAO, Army reports, and others, such a transformation can only occur when there is widespread acceptance of the notion that that contractors are an integral part of the total force and that operational success may hinge on the ability to define requirements, efficiently allocate limited resources, and effectively manage tens of thousands of contractors.<sup>84</sup>

Many analysts suggest that changing the culture of the military is a prerequisite for creating lasting systemic change and improving operational contract support.<sup>85</sup> As discussed above, DOD has taken a number of steps to change its culture to appreciate the role of contractors in operations, including establishing operational contract support-related general/flag officer positions and expanding the education curriculum. Three common recommendations aim to continue to elevate the role of operational contract support within the culture of DOD:

1. Senior leadership must maintain its focus on articulating the importance of contract support in a sustained and consistent manner.<sup>86</sup>
2. The Professional Military Education curriculum must fully incorporate courses on operational contract support throughout its various efforts.<sup>87</sup>
3. Training exercises must be expanded and incorporate contractors playing the role that they would play on the battlefield.<sup>88</sup>

Observers believe these efforts will become increasingly important after the drawdown in Afghanistan, when the operational force no longer experiences firsthand the critical role of contract support.

## Articulating the Importance of Contract Support

GAO and others have reported that the first step in improving contractor support at the strategic level is for senior leadership to consistently articulate its importance. Many analysts argue that without active and sustained support from senior leadership, the culture of the military is unlikely

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<sup>84</sup> See *Urgent Reform Required: Army Expeditionary Contracting*, p. 9, which states, “the Army apparently has not valued the skill and experience required to perform those processes... [W]ithout significant systemic change, the Army acquisition processes [contracting process] can be expected to inevitably return to below-mediocrity.” See also New American Foundation, *Changing the Culture of Pentagon Contracting*, November 5, 2008.

<sup>85</sup> U.S. Government Accountability Office, *Contingency Contracting: Observations on Actions Needed to Address Systemic Challenges*, GAO-11-580, April 25, 2011, p. 9; Defense Business Board, *Task Group on A Culture of Savings, Implementing Behavioral Change in DOD*, January, 2011, p. 2-3.

<sup>86</sup> U.S. Government Accountability Office, *Operational Contract Support: Sustained Leadership Needed to Better Prepare for Future Contingencies*, GAO-12-1026T, September 2012, p. 2.

<sup>87</sup> U.S. Government Accountability Office, *Operational Contract Support: Management and Oversight Improvements Needed in Afghanistan*, GAO-12-290, March 29, 2012, p. 17; Commission on Wartime Contracting in Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations, Second Interim Report to Congress*, February 24, 2011, p. 26; Department of Defense, *Initial Capabilities Document for Operational Contract Support*, July 19, 2011, pp. 15-16, H-1. Section 845 of the National Defense Authorization Act for 2013 (P.L. 112-239) requires DOD to include operational contract support in Professional Military Education.

<sup>88</sup> Commission on Wartime Contracting in Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations, Second Interim Report to Congress*, February 24, 2011, p. 26; Harvard Kennedy School, *Transforming the National Security Culture*, April 2009, p. 33; Office of the Undersecretary of Defense (AT&L), *Improvements to Services Contracting*, Report of the Defense Science Board Task Force, March 2011, p. 30; United States Institute of Peace, *The QDR in Perspective: Meeting America's National Security Needs in the 21st Century*, 2010, p. 39.

to change. According to these analysts, when management establishes priorities, articulates a vision, and aligns incentives and organizational structures to match these priorities, the foundation will be set for real change.<sup>89</sup>

As discussed above, senior leaders have increasingly articulated the importance of contract support. According to analysts and government officials, actions such as the contracting guidance issued by Generals Petraeus and Allen have raised awareness of the importance of contracting and the impact that contracting can have, both positive and negative, on operations. A number of military personnel believe that this contracting guidance represented a philosophical shift, requiring operational commanders to be more actively involved in contracting decisions and ensuring that contracting is more integrated with logistics, operations, intelligence, and strategy.<sup>90</sup>

A number of analysts argue that senior leadership must maintain focus on and continue to articulate the importance of operational contract support to ensure that cultural change is institutionalized and lasts beyond the current conflicts, beyond the tenure of current leadership. Further, given the new leadership in the Department of Defense, these analysts believe there is an increased need for senior leaders to reinforce the message that operational contract support is an enduring defense priority.<sup>91</sup>

### **Incorporating Operational Contract Support into Military Education**

A number of analysts have argued that one key to reinforcing cultural change and improving operational contract support is better education.<sup>92</sup> They believe that increased education for non-acquisition personnel is critical to institutionalizing how the military approaches the use of contractors, both before and during overseas operations.<sup>93</sup> The Gansler report and numerous other officials and analysts argue that DOD needs to train warfighters, including operational commanders, on the central role contractors play in contingency operations and on their responsibilities in the process. These observers assert that operational contract support should be included in advanced officer courses, at command schools (e.g., senior service colleges and Sergeant Majors Academy), general/flag officer preparation courses, and in non-commissioned officer courses.<sup>94</sup>

While observers argue that failure to integrate contractor support into Professional Military Education can leave the military unprepared to manage contractors; GAO concluded that, “[T]he

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<sup>89</sup> Commission on Wartime Contracting In Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations, Second Interim Report to Congress*, February 24, 2011, p. 27; U.S. Government Accountability Office, *Defense Acquisitions: Tailored Approach Needed to Improve Service Acquisition Outcomes*, GAO-07-20, November 9, 2006.

<sup>90</sup> Based on DOD documentation provided to CRS and discussions with DOD officials in Afghanistan, August-September 2011.

<sup>91</sup> U.S. Government Accountability Office, *Operational Contract Support: Sustained Leadership Needed to Better Prepare for Future Contingencies*, GAO-12-1026T, September 2012, p. 1; Commission on Wartime Contracting In Iraq and Afghanistan, *Transforming Wartime Contracting: Controlling Costs, Reducing Risk, Final Report to Congress*, August, 2011, p. 7.

<sup>92</sup> Commission on Wartime Contracting In Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations, Second Interim Report to Congress*, February 24, 2011, p. 3.

<sup>93</sup> U.S. Government Accountability Office, *Contingency Contracting: Observations on Actions Needed to Address Systemic Challenges*, GAO-11-580, April 25, 2011, p. Highlights.

<sup>94</sup> *Urgent Reform Required: Army Expeditionary Contracting*, op cit., p. 7.

lack of contract training for commanders, senior personnel, and some contracting officers' representatives can adversely affect the effectiveness of the use of contractors in deployed locations. Without training, many commanders, senior military personnel, and contracting officers' representatives are not aware of their roles and responsibilities in dealing with contractors.<sup>95</sup>

While observers believe that DOD has made progress in developing and implementing courses on operational contract support,<sup>96</sup> some analysts contend these courses have not been sufficiently expanded and incorporated into the Professional Military Education curriculum.<sup>97</sup> A 2012 GAO report found that a number of commanders in Afghanistan reportedly did not always receive training on their contract management and oversight responsibilities.<sup>98</sup>

### Including Contractors in Command Post and Field Exercises

A frequently stated guideline in the military is to 'train as you fight and fight as you train.' Given the extent to which contractors may be relied upon in future operations, conducting exercises without contractors could be akin to training without half of the force present. A number of analysts have called for incorporating contractors and contractor scenarios into appropriate military exercises to better prepare military planners and operational commanders for future operations.<sup>99</sup>

Despite increased inclusion of operational contract support in some exercises (such as Southern Command's PANAMAX 2012, Africa Command's Judicious Response 2012, and the Army's JCRX 2013), a number of reports have suggested that DOD has not sufficiently included contractor roles in battlefield exercises.<sup>100</sup> Some analysts have also argued that including

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<sup>95</sup> U.S. Government Accountability Office, *Military Operations: Contractors Provide Vital Services to Deployed Forces but Are Not Adequately Addressed in DOD Plans*, GAO-03-695, June 2003, p. 36.

<sup>96</sup> Lieutenant Colonel Robert Gould, USA (Ret.), "Operational Contract Support: Not Just for Contingencies," *Army Sustainment*, July-August 2012, p. 24.

<sup>97</sup> Commission on Wartime Contracting In Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations, Second Interim Report to Congress*, February 24, 2011, p. 25; U.S. Government Accountability Office, *Operational Contract Support: Management and Oversight Improvements Needed in Afghanistan*, GAO-12-290, March 29, 2012, p. 26; Lieutenant Colonel Robert Gould, USA (Ret.), "Operational Contract Support: Not Just for Contingencies," *Army Sustainment*, July-August 2012, p. 26.

<sup>98</sup> U.S. Government Accountability Office, *Operational Contract Support: Management and Oversight Improvements Needed in Afghanistan*, GAO-12-290, March 29, 2012, p. 17.

<sup>99</sup> Harvard Kennedy School, *Transforming the National Security Culture*, April 2009, p. 33; Office of the Undersecretary of Defense (AT&L), *Improvements to Services Contracting*, Report of the Defense Science Board Task Force, March 2011, p. 30; United States Institute of Peace, *The QDR in Perspective: Meeting America's National Security Needs in the 21st Century*, 2010, p. 39; Commission on Wartime Contracting In Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations, Second Interim Report to Congress, Second Interim Report to Congress*, February 24, 2011, p. 3, 25; U.S. Government Accountability Office, *Contingency Contracting: Observations on Actions Needed to Address Systemic Challenges*, GAO-11-580, April 25, 2011, p. Highlights; Commission on Army Acquisition and Program Management in Expeditionary Operations, *Urgent Reform Required: Army Expeditionary Contracting*, October 31, 2007, page 55. This recommendation is also posited by the Center for New American Security.

<sup>100</sup> Joint Contingency Acquisition Support Office, Information Paper, "CRS Update to Reports on Operational Contract Support," February 7, 2013, p. 3; Commission on Wartime Contracting In Iraq and Afghanistan, *At What Risk? Correcting Over-Reliance on Contractors in Contingency Operations, Second Interim Report to Congress*, February 24, 2011; U.S. Government Accountability Office, *Contingency Contracting: Observations on Actions Needed to Address Systemic Challenges*, GAO-11-580, April 25, 2011.

contractors in field exercises could increase warfighter awareness of the presence of contractors on the battlefield and improve military-contractor coordination in actual operations.

## **Systemic Change**

While changing the culture to embrace the importance of contract support may be an important step in improving operational contract support, many analysts argue that additional steps are needed: effective and efficient operational contract support, they argue, will not occur until an effective infrastructure is built to facilitate good contracting decisions. In 2011, the then-Senior Contracting Official-Afghanistan stated that a key to improving contracting is to identify the most glaring weaknesses in the acquisition process and build the infrastructure and support to overcome those weaknesses.<sup>101</sup>

Fundamental systemic weaknesses of contractor support that analysts frequently cite include

- poor or insufficient planning,
- lack of reliable data upon which to make strategic decisions, and
- lack of a sufficiently large and technically capable workforce to manage and oversee contractors and plan for their use.<sup>102</sup>

While acknowledging that building infrastructure capable of addressing these weaknesses requires significant, systemic change in the way DOD approaches and executes operational contract support, many analysts argue that without such systemic change, acquisition processes will not meet the needs of the military.<sup>103</sup>

## **Planning**

Failure to include contractors in planning and strategy can put DOD at risk of being unable to get the capabilities it needs, when it needs them, and at an acceptable cost. For example, had DOD understood the extent to which it would rely on private security contractors in Afghanistan and Iraq, it might have put in place a more robust oversight and coordination mechanism earlier. In addition, a number of military bases in Iraq were not large enough to house contractors because DOD did not anticipate how many contractors would be deployed with the military. As a result, officials say DOD had to quickly find alternative housing for these contractors, which resulted in increased costs.<sup>104</sup>

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<sup>101</sup> August 2011 in Kabul, Afghanistan.

<sup>102</sup> Professional Services Council, *S. 2139 The Comprehensive Contingency Contracting Reform Act of 2012*, Statement for the Record, April 17, 2012, p. 3.

<sup>103</sup> Commission on Wartime Contracting in Iraq and Afghanistan, *Correcting Over-reliance on Contractors in Contingency Operations, Second Interim Report to Congress*, February 24, 2011, p. Foreword; U.S. Government Accountability Office, *Contingency Contracting: Observations on Actions Needed to Address Systemic Challenges*, GAO-11-580, April 25, 2011, p. Highlights; U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, Ad Hoc Subcommittee on Contracting Oversight, *The Comprehensive Contingency Contracting Reform Act of 2012 (S.2139)*, Statement for the Record of Katherine Schinasi, 112th Cong., 2nd sess., April 17, 2012, p. 1.

<sup>104</sup> Based on discussions with DOD officials, July 23, 2009.



Despite a requirement that contract support be integrated into the operational plans of certain combatant commands, GAO concluded that such integration does not always occur.<sup>105</sup> The Commission on Wartime Contracting found that “DOD has not adequately planned for using contractors for contingency support.”<sup>106</sup> Some analysts have argued that a lack of planning is one of the reasons why DOD's current approach to managing service contracts tends to be reactive and not part of a well-conceived and planned strategic approach. Some DOD officials have indicated that more planners are still required to adequately include contracted support in future plans.<sup>107</sup>

## Improving Data

Data reliability is generally considered to be a critical element in making informed policy decisions.<sup>108</sup> If data is lacking or is unreliable, there may not be an appropriate basis for measuring or assessing the effectiveness of contracting, making policy decisions, or providing transparency into government operations. In some circumstances, a lack of reliable data could lead analysts and decision makers to draw incorrect or misleading conclusions. The result could be policies that squander resources, waste taxpayer dollars, and/or threaten the success of the mission.<sup>109</sup>

DOD officials state that the International Security Assistance Force and the U.S. government have not accurately or sufficiently tracked data upon which to make strategic contracting decisions in Afghanistan.<sup>110</sup> Current databases are not sufficiently customized to track important

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<sup>105</sup> U.S. Government Accountability Office, *Warfighter Support: DOD Needs Additional Steps to Fully Integrate Operational Support into Contingency Planning*, GAO-13-212, February 2013, p. 22; U.S. Government Accountability Office, *Contingency Contracting: Observations on Actions Needed to Address Systemic Challenges*, GAO-11-580, April 25, 2011, p. 4.

<sup>106</sup> Commission on Wartime Contracting In Iraq and Afghanistan, *Correcting Over-reliance on Contractors in Contingency Operations, Second Interim Report to Congress*, February 24, 2011, p. 22.

<sup>107</sup> U.S. Government Accountability Office, *Warfighter Support: DOD Needs Additional Steps to Fully Integrate Operational Support into Contingency Planning*, GAO-13-212, February 2013, p. 22; based on discussions with DOD officials, June 2012. See also: U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, Ad Hoc Subcommittee on Contracting Oversight, *The Comprehensive Contingency Contracting Reform Act of 2012 (S.2139)*, Testimony of Richard Ginman, Director, Defense Procurement and Acquisition Policy, Department of Defense, 112th Cong., 2nd sess., April 17, 2012, p. 12. According to CRS correspondence with DOD officials on April 30, 2013, “Based on GAO recommendations, DOD is taking action to provide operational planners with more detailed planning guidance for OCS. The Chairman of the Joint Chiefs of Staff is developing a manual specifically to assist in operational contract support planning. Tied to this effort, DOD is developing planning factors that enable the warfighter to conduct planning and estimate the contractor as well as the contracting component of the total force. Directly related to these specific actions, the Joint Staff is also developing a Joint OCS Planning and Execution Course (JOPEC) to enhance the planning skills and capabilities of OCS planners.”

<sup>108</sup> CRS Report R41820, *Department of Defense Trends in Overseas Contract Obligations*, by Moshe Schwartz and Wendy Ginsberg; U.S. Government Accountability Office, *Reliability of Federal Procurement Data*, GAO-04-295R, December 30, 2003, p. 1. For an additional discussion on the importance of having reliable data to develop policies affecting acquisitions, see U.S. Government Accountability Office, *Defense Acquisitions: Tailored Approach Needed to Improve Service Acquisition Outcomes*, GAO-07-20, November 9, 2006.

<sup>109</sup> For a discussion on the importance of good contract data to improving government efficiency and saving taxpayer money, see U.S. Government Accounting Office, *Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue: Collecting improved data on interagency contracting to minimize duplication could help the government leverage its vast buying power*, GAO-11-318SP, March, 1, 2011, p. 70.

<sup>110</sup> Author's discussions with military officials and with contractors responsible for managing ISAF data, August-September, 2011. See also, See *Report Regarding Contract Assessment Among Donors and the Private Sector in Afghanistan*, p. 15, which states “Due to a lack of reliable information, neither the Afghan government nor the (continued...)”

contract data. Even when information is tracked, questions remain as to the reliability of the information. Given current concerns over the reliability of contracting data, the information in the central database may not be sufficiently reliable for decision making at the strategic level. This lack of data makes it difficult to determine to what extent the billions of dollars spent on reconstruction have contributed to achieving the mission.

DOD officials have acknowledged data shortcomings and have stated that they are working to improve the reliability and appropriateness of the data gathered. In a 2011 memorandum, General David Petraeus sought to establish and adequately support an Acquisition Accountability Office in Afghanistan to

- collect and manage data from all U.S. contracting and development agencies,
- furnish senior leadership, battlefield commanders, the U.S. Embassy, and the international community with information on what is being spent, with whom, and where, and
- build a more complete contracting operating picture.<sup>111</sup>

Looking beyond operations in Afghanistan, GAO concluded that data analysis from recent operations could help the development of a strategic plan to define contractor involvement in future operations.<sup>112</sup> Such data could help to more effectively determine future contractor support requirements. Putting in place data systems that can be used in future operations can provide commanders and policy makers with timely access to critical information to help them better gauge their needs, judge performance, and adapt to rapidly changing circumstances. Section 844 of the National Defense Authorization Act for Fiscal Year 2013 (P.L. 112-239) requires DOD, Department of State, and the U.S. Agency for International Development to issue guidance regarding data collection on contract support for future operations.

## **Dedicating Sufficient Resources to Managing Contractors**

According to analysts and some government officials, there were simply not enough resources or personnel in theater to conduct adequate contractor oversight in Iraq and Afghanistan, leading to poor contract performance.<sup>113</sup> Insufficient resources or shortages in the numbers of oversight personnel can increase the risk of poor contract performance, which in turn can lead to waste,

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(...continued)

international community can determine the amount of money spent in Afghanistan over the past 10 years.”

<sup>111</sup> General David H. Petraeus, Commander International Security Assistance Force/United States Forces-Afghanistan, *Request to Establish a U.S. Government Acquisition Accountability Office for Afghanistan*, United States Forces-Afghanistan, Memorandum, February 18, 2011, pp. 1-2.

<sup>112</sup> U.S. Government Accountability Office, *Iraq and Afghanistan: Availability of Forces, Equipment, and Infrastructure Should Be Considered in Developing U.S. Strategy and Plans*, GAO-09-380T, February 12, 2009.

<sup>113</sup> Author's discussions with military and civilian personnel in Kabul, Afghanistan August-September 2011, and on data indicating that in some areas, half of Contracting Officer's Representatives positions may be vacant. See also Commission on Wartime Contracting in Iraq and Afghanistan, *At What Risk? Correcting Over-reliance on Contractors in Contingency Operations*, Second Interim Report to Congress, February 24, 2011, p. 17; United States Institute of Peace, *The QDR in Perspective: Meeting America's National Security Needs in the 21st Century*, 2010, p. 39; U.S. Government Accountability Office, *Military Operations: High-Level DOD Action Needed to Address Long-standing Problems with Management and Oversight of Contractors Supporting Deployed Forces*, GAO-07-145, December 18, 2006; Commission on Wartime Contracting in Iraq and Afghanistan, *Transforming Wartime Contracting: Controlling Costs, Reducing Risk, Final Report to Congress*, August, 2011, p. 83-84.

fraud, and abuse. DOD has documented how a lack of oversight has resulted in contracts not being performed to required specifications and to the theft of tens of millions of dollars' worth of equipment, repair parts, and supplies.<sup>114</sup> The Army Audit Agency reported in an audit of a particular contract that

the inadequacies in contracting practices occurred primarily because... contracting offices didn't have enough personnel to conduct the needed contracting actions to ensure the Army received quality goods and services at the best attainable value.<sup>115</sup>

DOD has recognized the need to dedicate sufficient resources to provide effective oversight. According to the 2010 Quadrennial Defense Review, "to operate effectively, the acquisition system must be supported by an appropriately sized cadre of acquisition professionals with the right skills and training to successfully perform their jobs.... We will continue to significantly enhance training and retention programs in order to bolster the capability and size of the acquisition workforce."<sup>116</sup>

## Issues for Congress

The role contractors are expected to play in future operations raises a number of questions for Congress, including the following:

### ***To what extent will potential budget cuts or force structure changes impact DOD reliance on contractors?***

As discussed in this report, post-Cold War budget cuts resulted in an increased reliance on contractors. A number of analysts argue that DOD was over-reliant on contractors in Iraq and Afghanistan. Many analysts also argue that contractors were assigned responsibilities that should have been performed by government personnel. However, most analysts agree that DOD did not have the manpower to perform its mission without using contractors. A potential question for Congress is: To what extent will budget cuts, the imposition of personnel caps, or a restructuring of the force lead to an increased reliance on contractors?

### ***To what extent is DOD preparing for the role of contractors in future military operations?***

Planning can be critical to effective contractor management. DOD faces a number of challenges in planning for the use of contractors in future operations, including identifying the role contractors will play in future operations, anticipating the nature of future military operations, and accounting for possible budget cuts and changes to force structure. In light of these and other challenges, potential questions for Congress include: To what extent is DOD identifying the role of contractors in future operations? To what extent is the development of the future force structure being informed by a well-thought-out plan for how contractors will be used in future operations?

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<sup>114</sup> Task Force 2010 Information Papers provided to CRS, dated May 8, 2011.

<sup>115</sup> U.S. Army Audit Agency Office, *Audit of Contracting Operations, Joint Contracting Command-Iraq/Afghanistan, Regional Contracting Center-Audit Report A-2010-0031-ALL*, Memorandum, February 16, 2010, p. 2.

<sup>116</sup> Department of Defense, *Quadrennial Defense Review Report*, February 2010, p. 77-78.

To what extent is DOD integrating the use of contractors into future operational planning? To what extent are lessons learned in contractor management and oversight being incorporated into doctrine and strategy?

***To what extent is the use of contractors being incorporated into education, training, and exercises?***

Observers believe education and training are critical elements in preparing for future operations. Richard Ginman, Director, Defense Procurement and Acquisition Policy, Department of Defense, recently testified before Congress that “the curriculum for each phase of joint and Service-specific Professional Military Education should include [Operational Contract Support] content appropriate for each phase of an officer’s professional development.”<sup>117</sup> Potential questions for Congress include: To what extent is DOD adapting what is taught in military educational institutions to address operational contract support? To what extent is DOD including contractor scenarios in post- and field-exercises? Are DOD efforts sufficient to prepare the operational force for how contractors will be used in future operations?

***What steps is DOD taking to ensure that sufficient resources will be dedicated to create and maintain the capabilities to ensure effective operational contract support in the future?***

Most analysts believe that effective use of contractors to support military operations requires dedicating sufficient resources to plan for, manage, and oversee the use of contractors. Yet many analysts have argued that insufficient resources are dedicated to operational contract support. This raises a number of potential questions for Congress: Does DOD have sufficient numbers of planners to effectively prepare for the integration of contractors into future operations? Does DOD have an appropriately sized and capable acquisition workforce? What steps are being taken to ensure that the infrastructure is in place to better track contractor data and measure contractor performance so that commanders and decisions makers will have necessary information upon which to make more informed decisions? Does DOD have the information technology capabilities necessary to support operational contract support planning and execution? In light of potential budget constraints, will DOD sufficiently fund efforts needed to institutionalize operational contract support and prepare for the use of contractors in future military operations?

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<sup>117</sup> U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, Ad Hoc Subcommittee on Contracting Oversight, *The Comprehensive Contingency Contracting Reform Act of 2012 (S.2139)*, Testimony of Richard Ginman, Director, Defense Procurement and Acquisition Policy, Department of Defense, 112th Cong., 2nd sess., April 17, 2012, p. 12-13.

## Appendix A. Number of Contractors vs. Number of Troops in Iraq and Afghanistan

**Table A-1. Contractor Personnel and Troop Level in Afghanistan**  
September 2007–March 2013

|           | U.S.<br>Nationals | Third<br>Country<br>Nationals | Local<br>Nationals | Total<br>Contractors | Troop<br>Levels |
|-----------|-------------------|-------------------------------|--------------------|----------------------|-----------------|
| Sep. 2007 | 3,387             | 2,864                         | 23,222             | 29,473               | 24,500          |
| Dec. 2007 | 5,153             | 3,815                         | 27,552             | 36,520               | 24,600          |
| Mar. 2008 | 4,220             | 4,678                         | 43,438             | 52,336               | 28,800          |
| Jun. 2008 | 4,724             | 4,121                         | 32,387             | 41,232               | 34,000          |
| Sep. 2008 | 5,405             | 4,381                         | 58,466             | 68,252               | 33,500          |
| Dec. 2008 | 5,960             | 5,232                         | 60,563             | 71,755               | 32,500          |
| Mar. 2009 | 9,378             | 7,043                         | 51,776             | 68,197               | 52,300          |
| Jun. 2009 | 10,036            | 11,806                        | 51,126             | 72,968               | 55,107          |
| Sep. 2009 | 9,322             | 16,349                        | 78,430             | 104,101              | 63,950          |
| Dec. 2009 | 10,016            | 16,551                        | 80,725             | 107,292              | 69,000          |
| Mar. 2010 | 16,081            | 17,512                        | 78,499             | 112,092              | 79,100          |
| Jun. 2010 | 19,103            | 14,984                        | 73,392             | 107,479              | 93,800          |
| Sep. 2010 | 20,874            | 15,503                        | 34,222             | 70,599               | 96,600          |
| Dec. 2010 | 19,381            | 21,579                        | 46,523             | 87,483               | 96,900          |
| Mar. 2011 | 20,413            | 23,537                        | 46,389             | 90,339               | 99,800          |
| Jun. 2011 | 23,294            | 25,666                        | 44,158             | 93,118               | 98,900          |
| Sep. 2011 | 23,190            | 27,912                        | 50,687             | 101,789              | 98,200          |
| Dec. 2011 | 25,287            | 34,811                        | 53,393             | 113,491              | 94,100          |
| Mar. 2012 | 34,765            | 37,898                        | 44,564             | 117,227              | 88,200          |
| Jun. 2012 | 30,568            | 35,118                        | 48,050             | 113,736              | 85,600          |
| Sep. 2012 | 31,814            | 39,480                        | 38,270             | 109,564              | 76,500          |
| Dec. 2012 | 33,444            | 35,714                        | 41,246             | 110,404              | 65,800          |
| Mar. 2013 | 33,107            | 34,375                        | 40,314             | 107,796              | 65,700          |

**Source:** CENTCOM Quarterly Census Reports and “Boots on the Ground” monthly reports to Congress.

**Notes:** DOD did not begin releasing data on contractors in CENTCOM until the second half of 2007.

**Table A-2. Contractor Personnel and Troop Level in Iraq**  
September 2007–March 2012

|            | U.S.<br>Nationals | Third<br>Country<br>Nationals | Local<br>Nationals | Total<br>Contractors | Troop<br>Levels |
|------------|-------------------|-------------------------------|--------------------|----------------------|-----------------|
| Sep. 2007  | 26,869            | 45,422                        | 82,534             | 154,825              | 169,000         |
| Dec. 2007  | 31,325            | 56,368                        | 75,898             | 163,591              | 165,700         |
| Mar. 2008  | 29,351            | 57,270                        | 62,757             | 149,378              | 160,500         |
| Jun. 2008  | 26,611            | 62,650                        | 70,167             | 159,428              | 153,300         |
| Sep. 2008  | 28,045            | 72,109                        | 63,292             | 163,446              | 146,800         |
| Dec. 2008  | 39,262            | 70,875                        | 37,913             | 148,050              | 148,500         |
| Mar. 2009  | 36,061            | 60,244                        | 36,305             | 132,610              | 141,300         |
| Jun. 2009  | 31,541            | 56,125                        | 32,040             | 119,706              | 134,571         |
| Sep. 2009  | 29,944            | 53,780                        | 30,007             | 113,731              | 130,000         |
| Dec. 2009  | 27,843            | 51,990                        | 20,202             | 100,035              | 114,300         |
| Mar. 2010  | 24,719            | 53,549                        | 17,193             | 95,461               | 95,900          |
| Jun. 2010  | 22,761            | 46,148                        | 10,712             | 79,621               | 88,320          |
| Sep. 2010  | 20,981            | 42,457                        | 10,668             | 74,106               | 48,410          |
| Dec. 2010  | 19,943            | 40,776                        | 10,423             | 71,142               | 47,305          |
| Mar. 2011  | 18,393            | 36,523                        | 9,337              | 64,253               | 45,660          |
| Jun. 2011  | 18,900            | 34,974                        | 8,815              | 62,689               | 46,010          |
| Sep. 2011  | 16,054            | 29,213                        | 7,370              | 52,637               | 44,755          |
| Dec. 2011* | 11,237            | 9,445                         | 3,204              | 23,886               | 11,445          |
| Mar. 2012* | 3,260             | 5,539                         | 2,168              | 10,967               | -               |

**Source:** CENTCOM Quarterly Census Reports and “Boots on the Ground” monthly reports to Congress.

**Notes:** DOD did not begin releasing data on contractors in CENTCOM until the second half of 2007. The military mission in Iraq ended in December 2011.

\*Includes DoD contractors supporting U.S. Mission Iraq and Office of Security Cooperation-Iraq.

## Appendix B. DOD Contract Obligations

**Table B-1. DOD Contract Obligations in Iraq and Afghanistan vs. Other Agencies' Total Contract Obligations**  
FY2007–FY2012

|   | FY2007           | FY2008           | FY2009           | FY2010           | FY2011           | FY2012           | Totals            |
|---|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| DEPARTMENT OF DEFENSE (Iraq and Afghan AORs)  | \$21,891,283,856 | \$28,875,512,402 | \$26,253,178,320 | \$27,625,427,448 | \$28,673,779,578 | \$26,254,357,426 | \$159,573,539,031 |
| DEPARTMENT OF ENERGY                          | 23,157,132,401   | 24,768,818,050   | 31,664,208,980   | 25,691,143,398   | 25,064,910,632   | 25,119,296,953   | 155,464,510,413   |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES       | 14,284,093,625   | 13,902,636,899   | 20,235,361,405   | 19,112,185,388   | 19,488,400,679   | 19,129,580,675   | 106,152,258,671   |
| GENERAL SERVICES ADMINISTRATION               | 13,144,929,701   | 13,369,927,514   | 15,602,222,549   | 15,602,222,549   | 12,606,959,366   | 8,639,612,490    | 78,965,874,169    |
| DEPARTMENT OF VETERANS AFFAIRS                | 12,684,246,066   | 14,890,683,047   | 14,805,695,906   | 16,242,524,319   | 17,632,877,962   | 17,132,179,960   | 93,388,207,260    |
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION | 13,127,897,278   | 15,067,086,283   | 15,299,616,912   | 16,089,328,286   | 15,400,490,866   | 15,143,707,272   | 90,128,126,896    |
| DEPARTMENT OF HOMELAND SECURITY               | 12,470,642,016   | 14,031,586,352   | 14,289,230,571   | 13,581,990,656   | 14,217,244,691   | 12,412,476,555   | 81,003,170,841    |

**Source:** Federal Procurement Data System, as of June 2012 for FY2007; January 2013 for FY2012 data.

**Table B-2. DOD Contract Obligations in Iraq and Afghanistan Theaters of Operation**

FY2007–FY2012

|                                   |                                  | <b>FY2007</b>         | <b>FY2008</b>         | <b>FY2009</b>         | <b>FY2010</b>         | <b>FY2011</b>         | <b>FY2012</b>         | <b>Total</b>           |
|-----------------------------------|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
| <b>Iraq Theater</b>               | <b>Iraq</b>                      | \$12,455,581,268      | \$15,177,699,901      | \$9,238,902,595       | \$7,039,364,738       | \$4,759,779,894       | \$667,118,490         | \$49,338,446,885       |
|                                   | <b>Bahrain</b>                   | 496,937,727           | 1,124,980,986         | 1,913,165,418         | 544,732,445           | 479,778,452           | 313,731,235           | 4,873,326,263          |
|                                   | <b>Kuwait</b>                    | 4,163,679,546         | 4,162,688,514         | 5,082,990,573         | 4,503,947,541         | 3,626,105,896         | 2,423,034,071         | 23,962,446,141         |
|                                   | <b>Qatar</b>                     | 272,939,660           | 395,948,762           | 774,045,429           | 313,418,891           | 766,206,548           | 807,436,617           | 3,329,995,906          |
|                                   | <b>Saudi Arabia</b>              | 177,707,136           | 317,070,425           | 863,885,709           | 719,181,555           | 274,128,319           | 502,160,704           | 2,854,133,847          |
|                                   | <b>Turkey</b>                    | 317,185,451           | 163,029,406           | 272,252,446           | 127,741,357           | 169,538,247           | 265,893,286           | 1,315,640,193          |
|                                   | <b>UAE</b>                       | 220,509,874           | 1,119,332,017         | 251,296,568           | 2,374,103,632         | 1,024,349,143         | 1,491,473,321         | 6,481,064,556          |
|                                   | <b>Oman</b>                      | 79,557,800            | 90,745,038            | 74,495,470            | 112,260,509           | 129,614,607           | 198,579,845           | 685,253,268.51         |
|                                   | <b>Jordan</b>                    | 70,750,722            | 77,883,341            | 12,935,394            | 12,277,874            | 36,009,560            | 50,296,938            | 260,153,829.21         |
|                                   | <i>Total Iraq Theater</i>        | 18,254,849,182        | 22,629,378,390        | 18,483,969,601        | 15,747,028,541        | 11,265,510,666        | 6,719,724,506         | 93,100,460,887         |
| <b>Afghanistan Theater</b>        | <b>Afghanistan</b>               | 3,196,039,550         | 5,968,526,163         | 7,160,853,627         | 11,494,331,690        | 16,426,355,244        | 17,571,754,012        | 61,817,860,285         |
|                                   | <b>Kazakhstan</b>                | 5,113,688             | 26,038,365            | 41,970,867            | 59,116,526            | 68,631,726            | 72,909,975            | 273,781,146            |
|                                   | <b>Kyrgyzstan</b>                | 360,291,188           | 17,568,564            | 326,986,699           | 119,623,907           | 826,185,742           | 1,846,200,497         | 3,496,856,597          |
|                                   | <b>Pakistan</b>                  | 62,848,359            | 203,365,810           | 221,731,297           | 160,078,547           | 59,342,433            | 16,068,851            | 723,435,298            |
|                                   | <b>Tajikistan</b>                | -                     | 11,000                | 951,307               | 3,384,903             | 3,233,262             | 8,241,038             | 15,821,510             |
|                                   | <b>Turkmenistan</b>              | 378,491               | 16,713,459            | 8,068,231             | 21,591,441            | 9,528,021             | (2,664,251)           | 53,615,391             |
|                                   | <b>Uzbekistan</b>                | 11,763,398            | 13,910,651            | 8,646,691             | 20,271,894            | 14,992,485            | 22,122,798            | 91,707,916             |
|                                   | <i>Total Afghanistan Theater</i> | 3,636,434,674         | 6,246,134,012         | 7,769,208,719         | 11,878,398,907        | 17,408,268,912        | 19,534,632,920        | 66,473,078,144         |
| <b>Total Iraq and Afghanistan</b> |                                  | <b>21,891,283,856</b> | <b>28,875,512,402</b> | <b>26,253,178,320</b> | <b>27,625,427,448</b> | <b>28,673,779,578</b> | <b>26,254,357,426</b> | <b>159,573,539,031</b> |

Source: Federal Procurement Data System, as of June 2012 for FY2007; January 2013 for FY2012 data.



## Appendix C. Select Legislative History

Concerned over DOD's use of contractors in Iraq and Afghanistan, Congress has held oversight hearings and enacted legislation aimed at improving operational contract support. This Appendix summarizes legislation affecting operational contract support in recent years.

### **National Defense Authorization Act for FY2007 (P.L. 109–364)**

- Section 854 directed DOD to develop joint policies for requirements definition, contingency program management, and contingency contracting during combat operations and post-conflict operations.

### **National Defense Authorization Act for FY2008 (P.L. 110–181)**

- Section 841 established the Commission on Wartime Contracting to investigate federal agency contracting for: the reconstruction of Iraq and Afghanistan; the logistical support of coalition forces operating in Iraq and Afghanistan; and the performance of security functions in such operations.<sup>118</sup>
- Section 1129 established the Special Inspector for Afghanistan Reconstruction to provide independent and objective: audits and investigations relating to programs and operations supported with U.S. reconstruction dollars; recommendations to promote economy, efficiency, and effectiveness; leadership on policies to prevent and detect waste, fraud, and abuse; and communication with the Secretary of State and the Secretary of Defense to keep them informed about problems and deficiencies relating to the reconstruction, the need for corrective actions, and progress on implementing corrective actions.<sup>119</sup>
- Section 842 directed the inspectors general with jurisdiction over the relevant contracts to conduct a series of audits to identify potential waste, fraud, abuse, or mismanagement in the performance of federal contracts for support to coalition forces in Iraq and Afghanistan, as well security and reconstruction efforts.<sup>120</sup>
- Section 861 directed DOD, the Department of State, and the U.S. Agency for International Development to enter into a memorandum of understanding regarding matters relating to contracts in Iraq or Afghanistan. The agencies subsequently entered into an agreement that designates DOD's Synchronized Predeployment and Operational Tracker (SPOT) as a common database for associated contract information.<sup>121</sup>

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<sup>118</sup> Several recommendations made by the Commission on Wartime Contracting in Iraq and Afghanistan were adopted as provisions relating to wartime contracting in the National Defense Authorization Act for FY13 (P.L. 112-239).

<sup>119</sup> For additional information on the Special Inspector for Afghanistan Reconstruction, see <http://www.sigir.mil/>.

<sup>120</sup> The Special Inspector for Iraq Reconstruction was created by Congress in 2003 as the Office of the Inspector General of the Coalition Provisional Authority in order to provide for independent and objective conduct and supervision of audits and investigations relating to the programs and operations of the Coalition Provisional Authority. For a complete legislative history of the Special Inspector for Iraq Reconstruction, see <http://www.sigir.mil/about/pub-law.html>.

<sup>121</sup> See [http://www.acq.osd.mil/log/PS/p\\_vault/MOU\\_Signed\\_July2008.pdf](http://www.acq.osd.mil/log/PS/p_vault/MOU_Signed_July2008.pdf). Section 854 of the National Defense Authorization Act for 2009 (P.L. 110-417) required agencies to modify this memorandum with information on offenses committed by or against contractor personnel, see [http://www.acq.osd.mil/log/PS/p\\_vault/DOD\\_DOS\\_USAID\\_signature\\_20Apr2010.pdf](http://www.acq.osd.mil/log/PS/p_vault/DOD_DOS_USAID_signature_20Apr2010.pdf).

- Section 849 required contingency contracting training for non-acquisition DOD personnel.
- Section 851 required DOD to develop a strategic human capital plan for the acquisition workforce.
- Section 852 established the Defense Acquisition Workforce Development Fund for the recruitment, training, and retention of acquisition personnel.
- Section 862 directed DOD to prescribe regulations on the selection, training, equipping, and conduct of personnel performing private security functions under a covered contract in an area of combat operations.

### **National Defense Authorization Act for FY2009 (P.L. 110–417)**

- Section 503 authorized five billets for Joint General Officer/Flag Officers to serve in acquisition positions.
- Section 834 required DOD to establish policy and guidance to ensure proper development, assignment, and employment of military personnel in the acquisition field.
- Section 870 established a government-wide contingency contracting corps to an emergency, major disaster, or contingency operation.

### **National Defense Authorization Act for FY2011 (P.L. 111–383)**

- Section 873 required DOD to establish policies and issue guidance to ensure the proper development, assignment, and employment of civilian members of the acquisition workforce.
- Section 831 established oversight and accountability mechanisms for contractors performing private security functions in areas of combat operations.<sup>122</sup>
- Section 832 extended regulations on contractors performing private security functions to areas of other significant military operations.<sup>123</sup>
- Section 833 required DOD to review standards and certification for private security contractors.

### **National Defense Authorization Act for FY2012 (P.L. 112–81)**

- Section 515 amended the definition of contingency operation.<sup>124</sup>

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<sup>122</sup> Updates Section 862 of the National Defense Authorization Act for 2008 (P.L. 110-181).

<sup>123</sup> Updates Section 832 of the National Defense Authorization Act for 2009 (P.L. 110-417).

<sup>124</sup> Section 515 of the National Defense Authorization Act for 2012 (P.L. 112-81) expanded the legal definition of 'contingency operation' (10 USC 101(a)(13)) by adding the following provision: "Authorizes the Secretary, upon request of a state governor for federal assistance in responding to a major disaster or emergency, to order a unit or member of the reserves to active duty for a continuous period of up to 120 days to provide such assistance. Excludes members so serving from reserve personnel end strength limits. Provides for the termination of such duty by order of the Secretary or by law. Requires the usual and customary command and control arrangement with respect to regular and reserve armed forces serving simultaneously in support of civil authorities during such a disaster or emergency."

- Section 820 required DOD to address contractor support in the Quadrennial Review and other Defense planning documents.
- Section 841 directed DOD to amend the Defense Federal Acquisition Regulation Supplement to allow for the prohibition of contracting with the enemy in the United States Central Command theater of operations.
- Section 842. Directed DOD to amend the Defense Federal Acquisition Regulation Supplement to allow additional access to contractor and subcontractor records in the United States Central Command theater of operations.
- Section 843 authorized DOD to designate a single contracting authority that uses domestic 'reachback' capabilities in support of overseas contracting. This activity may use increased micro-purchase threshold and the overseas increased simplified acquisition threshold for contracts providing support to Operation Enduring Freedom and Operation Joint Dawn.
- Section 844 required an annual review of omnibus contracts providing support to contingency operations, to include the Logistics Civil Augmentation Program, be performed by a DOD competition advocate.

### **National Defense Authorization Act for FY2013 (P.L. 112–239)**

- Section 846 required combatant commanders to develop a contractor reliance risk assessment and risk mitigation strategy for all operational or contingency plans.
- Section 861 required DOD (to include each military services and the Defense Logistics Agency), Department of State, and the U.S. Agency for International Development to have an independent suspension and debarment official.
- Section 1273 assigned sustainability requirements for certain capital projects in connection with overseas contingency operations.
- Section 843 required DOD to develop and issue guidance on responsibility and authority for operational contract support policy, planning, and execution.
- Section 848 described responsibilities of inspectors general for overseas contingency operations.
- Section 849 updates the responsibility of the Chief Acquisition Personnel within DOD, Department of State, and U.S. Agency for International Development for oversight of contracts and contracting activities for overseas contingency.<sup>125</sup>
- Section 952 enhanced the responsibilities of the Chairman of the Joint Chiefs of Staff regarding the inclusion of operational contract support in national military strategy.
- Section 803 extended expedited hiring authority to fill shortages in the defense acquisition workforce through 2017.<sup>126</sup>

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<sup>125</sup> Updates 41 USC § 1702.

<sup>126</sup> Section 833 of the National Defense Authorization Act for 2009 (P.L. 110-417) authorized expedited hiring authority to fill shortages in the defense acquisition workforce through 2012; Section 833 of the National Defense Authorization Act for 2010 (P.L. 111-383) extended expedited hiring authority for defense acquisition workforce positions through 2015; and Section 803 of the National Defense Authorization Act for 2013 (P.L. 112-239) continued expedited hiring authority for defense acquisition workforce positions through 2017.

- Section 845 mandated the inclusion of operational contract support in certain requirements for Department of Defense planning, joint professional military education, and management structure.
- Section 844 required DOD, Department of State, and the U.S. Agency for International Development to issue guidance regarding data collection on contract support for future operations outside of the United States that involve combat.<sup>127</sup>
- Section 847 extended and modified reports on contracting in Iraq and Afghanistan through 2015.<sup>128</sup>
- Section 851 required agencies to establish and maintain a database on price trends of items and services under Federal contracts.<sup>129</sup>
- Section 862 stipulated uniform contract writing system requirements.

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<sup>127</sup> Minimum data reporting elements required by Section 844 of the National Defense Authorization Act for 2013 (P.L. 112-239) are the following:

- (1) The total number of contracts entered into as of the date of any report.
- (2) The total number of such contracts that are active as of such date.
- (3) The total value of contracts entered into as of such date.
- (4) The total value of such contracts that are active as of such date.
- (5) An identification of the extent to which the contracts entered into as of such date were entered into using competitive procedures.
- (6) The total number of contractor personnel working under contracts entered into as of the end of each calendar quarter during the one-year period ending on such date.
- (7) The total number of contractor personnel performing security functions under contracts entered into as of the end of each calendar quarter during the one-year period ending on such date.
- (8) The total number of contractor personnel killed or wounded under any contracts entered into.

<sup>128</sup> Modifies Annual Joint Report and Comptroller Review on Contracting in Iraq in Afghanistan as required by Section 835 of the National Defense Authorization Act for 2011 (P.L. 111-383). See also Section 844 of the National Defense Authorization Act for 2013 (P.L. 112-239).

<sup>129</sup> Updates 41 USC §3312; see also Section 892 of the National Defense Authorization Act for 2011 (P.L. 111-383).

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