



Highlights of [GAO-10-1](#), a report to congressional committees

Why GAO Did This Study

The Departments of Defense (DOD) and State and the U.S. Agency for International Development (USAID) have relied extensively on contractors to provide a range of services in Iraq and Afghanistan, but as GAO has previously reported, the agencies have faced challenges in obtaining sufficient information to plan and manage their use of contractors.

As directed by the National Defense Authorization Act for Fiscal Year (FY) 2008, GAO analyzed DOD, State, and USAID data for Iraq and Afghanistan for FY 2008 and the first half of FY 2009 on the (1) status of agency efforts to track information on contracts and contractor personnel; (2) number of contractor personnel; (3) number of killed and wounded contractors; and (4) number and value of contracts and extent to which they were awarded competitively. GAO reviewed selected contracts and compared personnel data to other available sources to assess the reliability of agency-reported data.

What GAO Recommends

GAO recommends the agencies implement a plan to, among other matters, ensure consistent criteria for entering information into SPOT and improve its reporting capabilities to track statutorily required contracting data. DOD and State disagreed that a plan is needed, citing current coordination efforts. A plan with time frames would help to translate their coordination efforts into actions to address the issues GAO identified.

[View GAO-10-1 or key components.](#)

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CONTINGENCY CONTRACTING

DOD, State, and USAID Continue to Face Challenges in Tracking Contractor Personnel and Contracts in Iraq and Afghanistan

What GAO Found

In response to a statutory requirement to increase contractor oversight, DOD, State, and USAID agreed to use the Synchronized Predeployment and Operational Tracker (SPOT) system to track information on contracts and contractor personnel in Iraq and Afghanistan. With the exception of USAID in Afghanistan, the agencies are in the process of implementing the system and require contractor personnel in both countries to be entered into SPOT. However, the agencies use differing criteria to decide which personnel are entered, resulting in some personnel not being entered into the system as required. Some agency officials also questioned the need to track detailed information on all contractor personnel, particularly local nationals. Further, SPOT currently lacks the capability to track all required data elements, such as contract dollar value and the number of personnel killed and wounded. As a result, the agencies rely on other sources for contract and contractor personnel information, such as periodic surveys of contractors.

DOD, State, and USAID reported nearly 226,500 contractor personnel, including about 28,000 performing security functions, in Iraq and Afghanistan, as of the second quarter of FY 2009. However due to their limitations, the reported data should not be used to identify trends or draw conclusions about contractor personnel numbers. Specifically, we found that the data reported by the three agencies were incomplete. For example, in one quarterly contractor survey DOD did not include 26,000 personnel in Afghanistan, and USAID did not provide personnel data for a \$91 million contract. The agencies depend on contractors to report personnel numbers and acknowledge that they cannot validate the reported information.

USAID and State reported that 64 of their contractors had been killed and 159 wounded in Iraq and Afghanistan during our review period. DOD officials told us they continue to lack a system to reliably track killed or wounded contractor personnel and referred us to the Department of Labor's Defense Base Act (DBA) case data for this information. However, because DBA is a worker's compensation program, Labor's data include cases such as those resulting from occupational injuries and do not provide an appropriate basis for determining how many contractor personnel were killed or wounded while working on DOD, State, or USAID contracts in Iraq or Afghanistan. Nevertheless, the data provide insights into contractor casualties. According to Labor, 11,804 DBA cases were filed for contractors killed or injured in Iraq and Afghanistan during our review period, including 218 deaths. Based on our review of 150 randomly selected cases, we estimate that 11 percent of all FY 2008 DBA cases for the two countries resulted from hostile actions.

DOD, State, and USAID reported obligating \$38.6 billion on nearly 85,000 contracts in Iraq and Afghanistan during our review period. DOD accounted for more than 90 percent of the contracts and obligations. The agencies reported that 97 percent of the contracts awarded during our review period, accounting for nearly 71 percent of obligations, were competed.