



Highlights of [GAO-12-1026T](#), a testimony before the Committee on Armed Services, House of Representatives.

Why GAO Did This Study

DOD has relied heavily on contractors to support its operations in Iraq and Afghanistan and is likely to continue to depend on contractors in future operations. For over 15 years, GAO has made recommendations intended to improve DOD's ability to manage and oversee operational contract support in deployed locations, which DOD has taken some actions to address. GAO has called for a cultural change within DOD to emphasize the importance of institutionalizing operational contract support across the department. As DOD's current efforts in Afghanistan draw closer to a conclusion and DOD turns its attention to other challenges, the department needs to guard against allowing the lessons from Iraq and Afghanistan to be forgotten.

This testimony addresses three areas where sustained leadership is needed if DOD is to effectively prepare for the next contingency. These areas pertain to (1) planning for the use of operational contract support, (2) ensuring that DOD possesses the workforce needed to effectively manage and oversee contracts and contractors, and (3) improving DOD's ability to account for contracts and contractors.

This statement is drawn from GAO's broad body of work on DOD's efforts to plan for operational contract support and manage and account for contractors in Iraq and Afghanistan—including work reflected in GAO's February 2011 high-risk update, GAO's related testimonies, and GAO's recent reports on operational contract support and other contracting issues.

View [GAO-12-1026T](#). For more information, contact Timothy J. DiNapoli at (202) 512-4841 or tinapoli@gao.gov.

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OPERATIONAL CONTRACT SUPPORT

Sustained DOD Leadership Needed to Better Prepare for Future Contingencies

What GAO Found

Future overseas contingencies are inherently uncertain, but effective planning for operational contract support can help reduce the risks posed by those uncertainties. The Department of Defense (DOD) has made an effort to emphasize the importance of operational contract support at the strategic level through new policy and guidance and ongoing efforts. For example, in January 2011, the Secretary of Defense issued a memorandum outlining actions and indicating a need to influence a cultural shift in how the department manages contracted support in a contingency environment. DOD has also recognized the need to translate strategic requirements into plans at the operational level, but GAO's past work has shown that DOD's progress in anticipating contractor support in sufficient detail in operation plans has been slow. As a result, DOD has risked not fully understanding the extent to which it will be relying on contractors to support combat operations and being unprepared to provide the necessary management and oversight of deployed contractor personnel. One way to help address this risk is to ensure military commanders and senior leaders are cognizant of the roles contractors have in supporting DOD's efforts and the role that military personnel have in managing and overseeing contractors. While DOD has taken steps to develop additional training, we have reported that commanders and senior leaders are not required to take these courses before assuming their contract management roles and responsibilities.

In contingencies, DOD relies on a wide range of individuals to play critical roles in defining requirements, overseeing contractors, and helping to ensure that the warfighter receives the goods and services needed in a timely manner. GAO and others have identified numerous instances in Iraq and Afghanistan where these individuals were in short supply, were not properly trained, or were not fully aware of their responsibilities. DOD leadership has recognized the need to rebuild, train, and support a highly qualified and knowledgeable acquisition workforce. While DOD has made some progress in growing the workforce, it continues to face challenges in its strategic planning efforts. Further, in March 2012, GAO reported that although DOD had taken steps to enhance training for oversight personnel, the department continued to experience challenges ensuring that it had a sufficient number of oversight personnel with the subject-matter expertise and training needed to perform their contract management and oversight duties in Afghanistan.

DOD's ability to effectively leverage operational contract support in contingency environments also depends on having appropriate tools to account for contracts and contractor personnel. These tools can provide information that DOD can use to help mitigate risks, including tracking which contracts DOD has awarded, where contractor personnel are located, and whether potential vendors or contractor personnel may pose a potential risk to U.S. interests. DOD has made efforts to develop such tools, but it is not certain that these efforts will result in long-term solutions. For example, while DOD has designated a system for tracking specific information on certain contracts and associated personnel in Iraq and Afghanistan, the department lacks reliable data sources to report on its contracts and contractor personnel. Without attention to improving the tools needed to effectively account for contracts and contractor personnel, DOD may continue to face challenges in future contingencies.