



Hearing will seek officials' views on contract waste and obstacles to reform

ARLINGTON, VA, April 19, 2011 – An April 25 hearing of the Commission on Wartime Contracting in Iraq and Afghanistan will examine the fate of good ideas for saving money and lives and for promoting U.S. objectives in overseas contingency operations.

“The United States wasn’t prepared to go to war using up to 230,000 contractor employees in Iraq and Afghanistan,” said Commission Co-Chair Michael Thibault. “The federal acquisition workforce wasn’t staffed, trained, and funded well enough to manage and oversee contractors’ work, and inadequate competition and poorly conceived projects have only added to the billions of dollars lost to waste, fraud, and abuse. And despite many good reform ideas having been advanced by entities including this Commission, the country is still not well prepared to use contractors effectively and economically.”

The Commission estimates that the United States has wasted tens of billions of dollars in the roughly \$177 billion obligated for federal contracts and grants in Iraq and Afghanistan between 2001 and 2010.

Co-Chair Christopher Shays said, “Post-Cold War reductions in the size of the U.S. military and the enormous challenges of operations in Iraq and Afghanistan have forced heavy—and we think excessive—reliance on contractors. As the Commission prepares its final report to Congress, we’re looking at what’s happened to other recommendations for reform and asking their authors for their current opinions on the extent of waste, fraud, and abuse. Our goal is to check on the status of those prior recommendations, and to identify obstacles like bureaucratic inertia, turf protection, and lack of coordination that can prevent good ideas from being implemented.”

The hearing will feature testimony and questioning of witnesses representing the special inspectors general for reconstruction in Iraq and Afghanistan, the Government Accountability Office, the Department of Defense Inspector General, and the former chairman of a federal commission on Army acquisition reform.

The hearing will begin at 9:30 a.m. Monday, April 25, in Room 216 of the Hart Senate Office Building in Washington, DC. The hearing is open to the public and news organizations.

The hearing will have two panels of witnesses. They are:

Panel 1: 9:30-11:15 a.m.

- Jacques Gansler, Ph.D., formerly Under Secretary of Defense and chairman of the Commission on Army Acquisition and Program Management in Expeditionary Operations (aka “The Gansler Commission”); now with the Center for Public Policy

and Private Enterprise, School of Public Policy, University of Maryland.

- Paul Francis, Managing Director, Acquisition and Sourcing Management, Government Accountability Office

Panel 2: 11:20 a.m.-1:30 p.m.

- Stuart Bowen, Special Inspector General for Iraq Reconstruction
- Daniel Blair, DoD Deputy Inspector General for Auditing
- Herbert Richardson, Acting Special Inspector General for Afghanistan Reconstruction

The hearing witnesses have been invited to summarize their most important recommendations, assess the effectiveness of those implemented, and discuss the barriers that have faced other proposals. The witnesses have also been asked to review the past two years in Iraq and Afghanistan, and to describe critical issues and trends in wartime contracting and project management that may present risks in future contingency operations.

The April 25 hearing will be the Commission's twenty-fourth. Hearing testimony and written responses to follow-on questions will augment information collected in commissioner and staff trips to Iraq and Afghanistan, research, and reports from staffers at full-time offices in Baghdad and Kabul. All such information will shape findings and recommendations for the Commission's final report to Congress.

In February 2011, the Commission proposed 32 legislative, policy, and regulatory reforms in a second interim report to Congress. That report, "At What Risk? Correcting Over-Reliance on Contractors in Contingency Operations," The report recommended growing the federal government's in-house capability to perform critical functions, strengthening enforcement tools to hold contractors and government personnel accountable, increasing competition among contractors to promote cost savings, among other ideas. The report is posted at the commission's website, www.wartimecontracting.gov.

Congress created the Commission on Wartime Contracting in 2008 (Public Law 110-181), directing it to research federal contracting for reconstruction, logistical support, and security functions, and to recommend improvements. The eight commissioners are: Michael Thibault and Christopher Shays, co-chairs; and Clark Kent Ervin, Grant Green, Robert Henke, Katherine Schinasi, Charles Tiefer, and Dov Zakheim. Executive Director Robert B. Dickson manages the work of the commission staff.

In addition to the February 2011 interim report, the Commission has filed an interim report in June 2009 and has issued four special reports. A final report to Congress is due in July 2011.

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