



Wartime Contracting Commission closes its doors September 30

ARLINGTON, VA, Sept. 28, 2011—The congressionally chartered Commission on Wartime Contracting in Iraq and Afghanistan will shut down at the close of business on Friday, Sept. 30, 2011, after three years' work including 25 hearings and eight reports to Congress.

The Commission filed its 240-page final report, "Transforming Wartime Contracting: Controlling Costs, Reducing Risks," on Aug. 31. The report estimated that at least \$31 billion, and possibly as much as \$60 billion, has been lost to waste and fraud from the \$206 billion spent on contracts and grants since U.S. contingency operations began in Afghanistan in 2001 and in Iraq in 2003—and that a similar amount could be lost due to unsustainable projects and programs.

The Commission said most of the loss was due to waste, and blamed both government and contractors for the many problems described in its reports. Identified causes of waste include poor planning, imprecise contract requirements, lack of competition, unnecessary purchases or overpayments, inadequate contract management and oversight, unsustainable projects, poor performance, weak enforcement, and a long-standing shortage of federal acquisition personnel.

The final report offered 15 strategic recommendations for contracting reform. The Commission's co-chairs said some of the report's recommendations are already gaining traction on Capitol Hill, but cautioned that correcting years of neglect and inadequate practices will require an aggressive, long-term effort.

Commission Co-Chair Michael Thibault, former deputy director of the Defense Contract Audit Agency, said, "Despite long-standing doctrine that contractors were an integral part of our total force, the United States went into Afghanistan, then Iraq, woefully unprepared to manage large-scale contracting support. Contractors have been vital to our military, political, and development operations, and most have done good work in difficult settings, but we have over-relied on them, fallen short on oversight, and paid too much for them."

Co-Chair Christopher Shays, a former U.S. Representative for Connecticut, said, "Improving results in Iraq and Afghanistan, and avoiding a repetition of mistakes in future contingencies, demands action on many fronts, including changes in laws, policies, and practices. It will take time to make the reforms, and it will take hard work to get results. This Commission has completed its work, so continued progress will require sustained attention by the Administration and Congress."

Commission reform objectives include improving federal planning for use of contracts, strengthening contract management and oversight, expanding competition, improving interagency coordination, and modifying or cancelling U.S.-funded projects that host nations cannot sustain. The reforms are described in 15 strategic recommendations.

The Commission report notes that a consequence of 1990s reductions in the federal acquisition workforce and in support units within the military, the United States cannot conduct large or sustained contingency operations without heavy support from contractors. "Contingency"

operations, as defined in federal law for the Department of Defense, are those involving military forces in actual or imminent hostilities, or in response to declared national emergencies. Civilian agencies use a similar definition.

The Commission's report notes that contractor workforce in Iraq and Afghanistan rose above 260,000, mostly local and third-country nationals, in 2010, outnumbering American military personnel in the theater of operations. Contractors provide a wide range of services including feeding, laundry, transportation, construction, security, and translation.

The full report, plus two interim and five special reports submitted previously, can be read or downloaded at the Commission's website, www.wartimecontracting.gov. The website, which also holds hearing documents, news releases, and other material, will remain online, but will not be updated after Sept. 30.

The Commission was created in Section 841 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181). The act, signed in January 2008, tasked the Commission with studying, among other things, the extent of reliance on contractors for logistics, security, and reconstruction operations in Iraq and Afghanistan, and their performance; determining the amount of waste, fraud, and abuse in the Iraq and Afghanistan operations; assessing the extent to which offenders have been held accountable; examining the appropriateness of Defense and State structures, policies, and practices for managing contracts; and recommending improvements.

Following appointments of commissioners and recruitment of professional staff, the Commission began full-scale operations in late 2008. Over its working life, the Commission has conducted 25 formal hearings, participated in more than 1,000 meetings, made numerous fact-finding trips to theater, and maintained liaison offices in Baghdad and Kabul. It has previously published two interim reports and five special reports to Congress.

Executive Director Robert B. Dickson paid tribute to the Commission staff. "More than 50 experienced professional and administrative staff, including detailees from the armed services and federal agencies, have provided invaluable support to the Commissioners these past three years. They and Deputy Director Jeff Brand have performed a real service to the country."

COMMISSIONERS

- **Christopher Shays**, Co-Chair, former 11-term U.S. Representative, Connecticut;
- **Michael J. Thibault**, Co-Chair, former Deputy Director, Defense Contract Audit Agency;
- **Clark Kent Ervin**, former Inspector General, Departments of State and Homeland Security;
- **Grant S. Green**, former Under Secretary of State for Management;
- **Robert J. Henke**, former Assistant Secretary, Management, Department of Veterans Affairs;
- **Katherine V. Schinasi**, former Managing Director for Acquisition and Sourcing Management, U.S. Government Accountability Office;
- **Charles Tiefer**, professor, University of Baltimore School of Law; and
- **Dov S. Zakheim**, former Under Secretary of Defense (Comptroller) and Chief Financial Officer.

MANAGEMENT

- **Robert B. Dickson**, Executive Director.
- **Jeffrey A. Brand**, Colonel, U.S. Air Force (retired); Deputy Director.

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