



Highlights of [GAO-03-695](#), a report to the Subcommittee on Readiness and Management Support, Committee on Armed Services, U.S. Senate

Why GAO Did This Study

The Department of Defense (DOD) uses contractors to provide a wide variety of services for U.S. military forces deployed overseas. We were asked to examine three related issues: (1) the extent of contractor support for deployed forces and why DOD uses contractors; (2) the extent to which such contractors are considered in DOD planning, including whether DOD has backup plans to maintain essential services to deployed forces in case contractors can no longer provide the services; and (3) the adequacy of DOD's guidance and oversight mechanisms in managing overseas contractors efficiently.

What GAO Recommends

We are making a number of recommendations to the Secretary of Defense to improve the oversight and management of contractors' supporting deployed forces. These include (1) conducting required reviews to identify mission essential services provided by contractors and include them in planning; (2) developing and implementing the use of standard language for contracts; and (3) developing comprehensive guidance and doctrine to help the services manage contractors' supporting deployed forces. DOD agreed with most of our recommendations but believed a section of one was too burdensome. We do not agree and have retained the recommendation its entirety.

www.gao.gov/cgi-bin/getrpt?GAO-03-695.

To view the full report, including the scope and methodology, click on the link above. For more information, contact Neal Curtin at (757) 552-8111 or curtinn@gao.gov.

MILITARY OPERATIONS

Contractors Provide Vital Services to Deployed Forces but Are Not Adequately Addressed in DOD Plans

What GAO Found

While DOD and the military services cannot quantify the totality of support that contractors provide to deployed forces around the world, DOD relies on contractors to supply a wide variety of services. These services range from maintaining advanced weapon systems and setting up and operating communications networks to providing gate and perimeter security, interpreting foreign languages, and preparing meals and doing laundry for the troops. DOD uses contractor services for a number of reasons. In some areas, such as Bosnia and Kosovo, there are limits on the number of U.S. military personnel who can be deployed in the region; contract workers pick up the slack in the tasks that remain to be done. Elsewhere, the military does not have sufficient personnel with the highly technical or specialized skills needed in-place (e.g., technicians to repair sophisticated equipment or weapons). Finally, DOD uses contractors to conserve scarce skills, to ensure that they will be available for future deployments.

Despite requirements established in DOD guidance (Instruction 3020.37), DOD and the services have not identified those contractors that provide mission essential services and where appropriate developed backup plans to ensure that essential contractor-provided services will continue if the contractor for any reason becomes unavailable. Service officials told us that, in the past, contractors have usually been able to fulfill their contractual obligations and, if they were unable to do so, officials could replace them with other contractor staff or military personnel. However, we found that this may not always be the case.

DOD's agencywide and servicewide guidance and policies for using and overseeing contractors that support deployed U.S. forces overseas are inconsistent and sometimes incomplete, as in the following examples:

- Of the four services, only the Army has developed substantial guidance for dealing with contractors.
- DOD's acquisition regulations do not require any specific contract clauses or language to cover possible overseas deployments or changes in deployment locations for contract workers. Of 183 contractor employees planning to deploy with an Army division to Iraq, for example, some did not have deployment clauses in their contracts. This omission can lead to increased contract costs as well as delays in getting contractors into the field.
- At the sites that we visited in Bosnia, Kosovo, and the Persian Gulf, we found that general oversight of contractors appeared to be sufficient but that broader oversight issues existed. These include inadequate training for staff responsible for overseeing contractors and limited awareness by many field commanders of all the contractor activities taking place in their area of operations.