



Highlights of [GAO-09-19](#), a report to congressional committees.

Why GAO Did This Study

The Departments of Defense (DOD) and State and the United States Agency for International Development (USAID) have relied extensively on contractors to carry out a range of services in Iraq and Afghanistan. While recognizing the benefits of using contractors, GAO and others have noted the challenges and risks associated with an increased reliance on contractors and the ability of agencies to manage their growing number of contractors.

As directed by the National Defense Authorization Act for Fiscal Year 2008, GAO analyzed DOD, State, and USAID data on contracting activities in Iraq and Afghanistan for fiscal year 2007 and the first half of fiscal year 2008 including (1) the number and value of contracts and the extent they were awarded competitively; (2) the number of contractor personnel, including those performing security functions; and (3) the number of contractor personnel who were killed or wounded. GAO also reviewed the status of the three agencies' memorandum of understanding (MOU) related to maintaining data on contracts and contractor personnel. GAO reviewed selected contract files and compared personnel data to other available sources to assess the reliability of the data reported by the agencies.

GAO provided a draft of this report to DOD, State, USAID, and the Department of Labor for comment. State and USAID provided technical comments that were incorporated where appropriate.

To view the full product, including the scope and methodology, click on [GAO-09-19](#). For more information, contact John Hutton at (202) 512-4841 or huttonj@gao.gov.

CONTINGENCY CONTRACTING

DOD, State, and USAID Contracts and Contractor Personnel in Iraq and Afghanistan

What GAO Found

For the 18-month period GAO reviewed, DOD, State, and USAID reported obligating at least \$33.9 billion on almost 57,000 contracts for efforts such as construction, capacity building, security, and a range of support services for U.S. forces and other government personnel in Iraq and Afghanistan. About three-fourths of the reported obligations were for contracts with performance in Iraq. Of the total obligations, DOD accounted for almost 90 percent. Most of the three agencies' active contracts were awarded during GAO's review period and of these, about two-thirds were competed to one extent or another. However, during its file reviews in Iraq and Afghanistan, GAO found that DOD may have understated the extent to which it competed some contracts.

Complete and reliable data were not available for GAO to determine the total number of contractor personnel who worked on DOD, State, and USAID contracts in Iraq and Afghanistan. According to DOD's quarterly census, there were 197,718 contractor personnel working on its contracts in Iraq and Afghanistan as of April 2008. However, DOD did not routinely evaluate the data for accuracy and the number of local nationals working on contracts may be underreported. Neither State nor USAID had systems in place during our review period to track the number of contractor personnel. As a result, they could not provide complete personnel data. For example, while State and USAID had information from their contractors on the number of personnel performing security and demining functions in Afghanistan, they did not have similar information on personnel performing other functions in Afghanistan.

According to DOD and State officials, information on killed and wounded contractor personnel was not systematically tracked, which left them unable to provide reliable or complete data. While USAID could not provide specifics on its contractor personnel, USAID informed us that 206 individuals working on its projects, including contractor personnel, had been killed or injured in Iraq and Afghanistan during GAO's review period. Data available from Labor provides insight into the number of contractor personnel killed or injured as a result of hostile actions, accidents, and other causes while working on U.S. government contracts. Based on data provided by Labor, there were 455 reports received of contractors killed in Iraq and Afghanistan during the period of our review and 15,787 reports of injuries. However, there may be additional contractor deaths or injuries that were not reported to Labor.

In July 2008, the three agencies signed an MOU in which they agreed to use a DOD database to collect and maintain information on contracts and contractor personnel in Iraq and Afghanistan. According to DOD officials, as the agencies work together to implement the MOU, the agencies' ability to report on the number and value of contracts and the number of contractor personnel should improve.