OFFICE OF THE UNDER SECRETARY OF DEFENSE



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January 14, 2005

MEMORANDUM FOR TECHNICAL DIRECTOR AUDIT FOLLOWUP & GAO AFFAIRS OFFICE, OF THE INSPECTOR GENERAL

THROUGH: D, AR&A FOR JAN 1 9 2005

SUBJECT: Followup on GAO Report GAO-04-854, "Military Operations: DoD's Extensive Use of Logistics Support Contracts Requires Strengthened Oversight," July 19, 2004

This responds to your memorandum of December 6, 2004 on the subject GAO report. Since this report was issued, the National Defense Authorization Act (NDAA) for Fiscal Year 2005 was enacted on October 28, 2004. Section 1205 of the NDAA requires the Secretary of Defense to establish policies for the use of contractors to support deployed forces within 180 days of enactment (April 25, 2005). The draft DoD Directive and Instruction providing the required policy are being circulated for comment/coordination. Both draft documents provide guidance implementing the first GAO recommendation relating to identification of operational requirements that are to be provided by contractors early in the planning process. We will provide copies upon issuance so that recommendation can be closed.

A policy memorandum will address the second GAO recommendation relating to periodic site visits to evaluate logistics support provided by contractors. Estimated completion date is March 2005. For the last two recommendations, we are working with the Defense Acquisition University both to establish a "lessons learned" data base as part of the Logistics Community of Practice and to develop a continuous learning-type training module for Logistics Support personnel. Estimated completion date for both these actions is June 30, 2005.

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