



DoD Ethics Officers Warn of Interest Conflicts from Insourcing

Officials will have to monitor potential conflicts closely as new feds work near their old jobs

By Matthew Weigelt Jun 09, 2010

Defense Department ethics officers are warning officials about conflicts of interest that could soon follow when the officials hire contractors as employees through insourcing.

"The problem is they are often being hired to perform duties related to their former contract employers," the officers wrote June 7 in a newsletter updated regularly by DOD's Standards of Conduct Office.

The new DOD employees likely will oversee support contractor employees, evaluate contract's performance, or issue task orders on their former employer's contract, the ethics officials wrote.

"This raises conflict-of-interest concerns," they wrote.

The Code of Federal Regulations bars federal employees from getting deeply involved in situations where they could influence a decision in favor of someone they worked for during the past year. The employees may have to recuse themselves if they have knowledge of the relevant facts that could call into question their impartiality in a situation, the officers wrote.

DOD and civilian agencies are planning to build up their in-house skills in numerous areas, including their acquisition expertise, through insourcing. Deputy Secretary of Defense William Lynn said June 4 that DOD will save money by adding more people to its payroll. He also said he expects DOD to become a better buyer as a result of insourcing more acquisition expertise into its workforce.

"So I think that those people are going to be an investment. And we'll get a many-fold return on their expertise," he said.



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