



DoD Struggles to Count Contractors, GAO Reports

Pentagon needs better process for counting contractors

By Matthew Weigelt Jan 20, 2011

As Congress seeks more information on the Defense Department's service contracts, the DOD officials have to figure out how to accurately determine the number of private-sector employees doing the work, according to a report released this week.

The defense agencies differ in their approaches to reviewing the work performed by contractors and the extent to which they use the inventories to make workforce decisions, according to the Government Accountability Office.

An inventory of service contracts can help DOD officials make decisions about insourcing and their reliance on contractors if it can give an honest assessment.

"At this point, the absence of a way forward hinders the achievement of this objective," the GAO wrote.

GAO officials recommended that DOD draw up a plan on how officials will gather data on manpower. More immediately, DOD should improve how it estimates the number of workers. Defense officials agreed with the recommendations.

DOD relies heavily on contractors to carry out its work, even to the point of supporting core missions. Officials are worried that the government is put at risk if contractors handle key functions. In 2008, Congress told DOD to compile an inventory of service contracts, which includes the number of contractor employees that are working on these contracts and the work they perform.

In November, defense officials released their fiscal 2009 report, a 9,118-page inventory.

Recently, the undersecretary of defense for acquisition, technology and logistics gave an interim approach for measuring contractor employees that is similar to that of the Army, which is more advanced than other services in gathering data. The undersecretary hasn't issued new guidance, even though officials said they would release some by August 2010.