



DoD Taking Critical Functions Back from Contractors, Nominee Says

By Matthew Weigelt

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Ashton Carter, nominee to be deputy defense secretary, told the Senate Armed Services Committee Sept. 13 that the Defense Department has taken back most of the “critical functions” from contractors and given them to its own employees.

“At this time I believe the department has identified and eliminated most, if not all, over-reliance on contractors for critical functions,” he said in a questionnaire from the committee on his policy views of defense issues. He testified before the committee Sept. 13.

A critical function is work that’s “necessary to the agency being able to effectively perform and maintain control of its mission and operations,” as defined by the Office of Federal Procurement Policy in a policy letter released Sept. 12. The letter tells agency officials to decide case by case if work should be done by their own employees or contractors.

Carter said, as undersecretary of defense for acquisition, technology, and logistics, he put an emphasis on building up the acquisition workforce.

“I have sought to ensure that the department retains sufficient organic capability for critical acquisition and logistics functions,” he said in the questionnaire. “Over the next few years, however, I believe the department needs to be watchful to ensure that this trend is not reversed.”

Defense officials are contending with several factors that could cause DOD to again depend on contractors. Carter said budgets are declining and the department will have to reduce its federal workforce.

Further, DOD must be careful to retain its expertise in all sorts of defense operations as officials reduce their presence in contingency operations overseas. He said officials need defense employees’ critical competencies to the point at least where DOD can reorganize quickly to its changing needs.

“Contingency contracting is an example of the type of expertise that must be institutionalized and retained,” he said.

To help with such training, a new House bill would create the “Center for Contingency Contracting,” which would be a resource center and school to learn all about contracting in war zones.