

July 22ND, 2009

Senate Panel Calls on Intel Agencies to Reduce Contracting

By ELISE CASTELLI

July 22, 2009

The Senate Select Committee on Intelligence wants intelligence agencies to reduce their use of contractors by 5 percent in 2010.

The committee's version of the 2010 Intelligence authorization bill would give intelligence agencies' leaders authority to create a new full-time government position when the agency head determines contractor-performed work should be performed by a federal worker.

The committee unanimously approved the bill last week and released an unclassified version of the legislation today.

The intelligence agencies' 2008 Intelligence Community Core Contract Personnel Review found that contractor employees make up 29 percent of the workforce at intelligence agencies, but account for 49 percent of the total personnel budget, the committee said in a report accompanying the bill.

Although the committee acknowledged contractors are necessary for short-term work, "the intelligence community agencies themselves have determined that many of the functions currently performed by contract personnel can be successfully performed by government employees at considerable savings to the government," the committee wrote in the report.

"The committee directs that the intelligence community reduce its core contract personnel by at least 5 percent below the level requested for fiscal year 2010," the committee said.

A version of the bill being considered in the House does not contain that provision.

In addition to encouraging in-sourcing of contract services, the Senate committee wants intelligence agencies to submit reports to Congress for all major systems acquisitions. The reports would include current acquisition costs for a system, a schedule for the system's completion and estimates of future costs to complete the system.

Where there are cost overruns exceeding 25 percent, the agencies would notify Congress within 90 days or face a funding freeze. The reporting provisions mirror the required reporting for major defense systems.