



READINESS AND  
FORCE MANAGEMENT

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

4000 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-4000

FEB 18 2015

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Update on OMB Circular A-76 Public-Private Competition Prohibitions – FY 2015

This memorandum replaces the memorandum on the same subject, dated February 10, 2014, and provides updated guidance for fiscal year (FY) 2015 related to the continued moratorium and restrictions on public-private competitions pursuant to Office of Management and Budget (OMB) Circular A-76 and section 2461 of title 10, United States Code. The Department continues to be statutorily prohibited from converting to private sector (contract) performance any work currently performed, or designated for performance, by any number of civilian personnel.

The government-wide moratorium, which includes the Department of Defense, on the use of funds for public-private competitions, was extended for FY 2015 by section 742 (Title VII, General Provisions – Government-wide) of Division E – Financial Services and General Government Appropriations of the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235). Furthermore, the DoD-specific suspension of public-private competitions remains in effect per section 325 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84).

The above restrictions prohibiting the conversion to contract performance of any work currently performed (or designated for performance) by civilian personnel applies to functions and work assigned to civilians, regardless of whether or not a position, or billet, is established for that work, and whether or not that position, or billet, is encumbered. This would include workload affected by ongoing headquarters or other personnel reductions, as well as position vacancies impacted by continued hiring freezes or resulting from funding shortfalls.

Please ensure maximum distribution of this memorandum across your organization. Questions should be addressed to Mr. Thomas Hessel (thomas.j.hessel.civ@mail.mil or 703-697-3402) in the Office of Total Force Planning & Requirements.

Stephanie Barna  
Principal Deputy Assistant Secretary of Defense  
(Readiness and Force Management)  
Performing the Duties of the Assistant  
Secretary of Defense (Readiness and Force  
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