

DEFENSE CONTRACT MANAGEMENT AGENCY

Overseas Contingency Operations: Operation Enduring Freedom (OEF)/Operation Iraqi Freedom/New Dawn (OIF/OND) Operation and Maintenance, Defense-Wide Budget Activity 04 Administrative and Service Wide Activities

I. Description of Operations Financed: The DCMA maintains a presence in theater to support the Army's Logistics Civil Augmentation Program (LOGCAP) and Air Force Contract Augmentation Program (AFCAP), and hundreds of in-theater delegated contracts. The LOGCAP provides life and logistics support to more than 165,000 Soldiers and Civilians under difficult security circumstances in Iraq, Afghanistan, Kuwait, and Djibouti. The AFCAP provides air traffic management at air bases throughout central Asia, supplementing scarce Air Force assets and providing needed rest for Air Force service members who also perform this function. DCMA now provides oversight of the LOGCAP III contract; supports integration of three major contractors under LOGCAP IV; administers oversight to hundreds of new CENTCOM Contracting Command (CCC) contract delegations associated with the Iraqi drawdown; and supports additional contract delegations throughout Afghanistan and the CENTCOM Theater.

The draw down in troop strength in Iraq does not necessarily correspond with a proportional draw down in DCMA's oversight responsibilities. With the de-scoping of LOGCAP comes new CCC contract delegations to oversee and the introduction of LOGCAP IV where three contractors (vice one) are being utilized increases the administrative oversight responsibilities of the DCMA theater operations. The DoD must maintain a considerable civilian and contracted workforce to sustain the requisite resources used to combat an "increasingly bold" Taliban in its Global War on Terrorism. This coalition force support is provided through the military Services' Civil Augmentation Programs (CAPS) in which DCMA provides the requisite contract management and oversight; including Contract Administration, Property Management and Quality Assurance services. In addition to the resource requirement in support of the simultaneous Iraq "drawdown" and the Afghanistan increased troop strength, DCMA anticipates continued contract oversight requirements in Kuwait to support increase in retrograde operations. DMCA Kuwait has received 30 reachback contracts to administer for service support. These contractors are local companies and require considerably more oversight due to their experience level.

DCMA Afghanistan and Iraq face the daily challenge of supporting every Soldier, Sailor, Airman, Marine and Civilian in the theater of operation through its overseas contingency operations oversight responsibilities. The OCO requirement necessitates in-theater contract oversight which must be accomplished by "Boots on the Ground." Afghanistan is anticipating approximately 20 more LOGCAP FOBs (Total 140) be operating through 2012. Additionally, 159 TWCA (Theater Wide Contract Administration) contracts to be delegated to DCMA over the next 90 days and this trend is expected to continue as more services

are forecasted to be contracted to local companies. DCMA will be administering the three year \$1.5B ANP (Afghanistan National Police) mentoring/training/life support CFFF (Cost Plus Fixed Fee) term contract that starts in the early spring 2011.

The DCMA also provides Contract Management Services for Army Stryker, High Mobility Multi-purpose Vehicle (HMMV – Humvee), Family of Medium Tactical Vehicles (FMTV), Heavy Lift, and Line Haul Reset contracts in theater. These contracts move repair/depot effort forward from their CONUS Army Depots to decrease the turnaround time for returning equipment to the warfighter.

The commission on Army Expeditionary Contracting, led by Dr. Gansler, found significant issues with post-award contract management in Iraq and Afghanistan. The report concluded that the Army work force is not adequately staffed, trained, or structured for this mission and the lack of emphasis can lead to increased risk for waste, fraud and abuse. As a result, the CCC reassigned contract administration to DCMA for contracts involving the delivery of supplies and services in Iraq and Afghanistan.

The DCMA Contingency Contract Administration Service (CCAS) mission requires an enduring, CENTCOM Joint Manning Document (JMD) approved, in-theater presence of 368 personnel. DCMA sources this manning requirement by deploying 98 Service-provided military, 35 Service-provided Subject Matter Experts (SMEs), a 17 FTE "level of effort" contracted support from the US Army Corps of Engineers (USACE), and balance using DCMA "Unit Fill". The demographics of the DCMA unit fill sourcing varies, the average distribution projections are 30 DCMA Military, 118 Emergency Essential personnel, and 70 civilian volunteers. DCMA deploys personnel on Temporary Duty (TDY) orders for duration of 179 - 270 days and then they must return home. DCMA military deploy and dwell at a 1:3 ratio and the DCMA Emergency Essential workforce deploys and dwells at a 1:1 ratio. Therefore, DCMA must have personnel in CONUS training, equipping, and ready to deploy when the deployed person returns home. To support of the deployed and dwelling workforce, DCMA utilizes 17 FTE civilian support staff. DCMA's budget request is for civilian requirement of 360 personnel, (273 Emergency Essential (EE), average 70 deployed civilian volunteers, and requisite support staff of 17), and necessary personnel support, operating support and transportation to maintain an in-theater presence of 368 utilizing DCMA military, Emergency Essential personnel, civilian volunteers, Service-provided military personnel, and 17 FTE "level of effort" contracted Subject Matter Experts (SMEs).

II. Financial Summary (\$ in Thousand)

CBS No.	CBS Title	FY 2010 Actual	FY 2011 Total	Delta	FY 2012 Total
1.0	Personnel	\$46,538	\$36,307	\$16,211	\$52,518
2.0	Personnel Support	\$3,013	\$1,940	\$1,294	\$3,234
3.0	Operating Support	\$7,112	\$11,911	\$2,676	\$14,587
	Total	\$56,663	\$50,158	\$20,181	\$70,339
OND	(FY 2010 will be OIF.)				
1.0	Personnel	\$15,988	\$17,882	-\$4,752	\$13,130
2.0	Personnel Support	\$839	\$955	-\$146	\$809
3.0	Operating Support	\$3,493	\$5,867	-\$2,220	\$3,647
	Total	\$20,320	\$24,704	-\$7,118	\$17,586
	SAG Total	\$76,983	\$74,862	\$13,063	\$87,925

A. Subactivity Group

OEF

1. Cost Breakdown Structure (CBS) Category/Subcategory

1.0 Personnel	\$46,538	\$36,307	\$16,211	\$52,518
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- a. **Narrative Justification:** Personnel costs for support of OCONUS contingency operations are for civilian base pay, overtime and premium pay (Sunday, hazardous duty, and night and post differential). The number of personnel fluctuates as teams rotate in and out of areas of responsibility. Significant overtime is required because of the contingency environment and abnormal conditions. We minimize the number of personnel and maximize available hours of duty, allowing the maximum efficiencies for the required contract oversight given the limited infrastructure support available to non-combatants.

	FY 2010 Actual	FY 2011 Total	Delta	FY 2012 Total
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b. Explanation of Change Between FY 2011 and FY 2012: Additional funds are required to cover the labor cost for Civilian Volunteers and support staff.

OND (FY2010 will be OIF)

2. Cost Breakdown Structure (CBS) Category/Subcategory

1.0 Personnel	\$15,988	\$17,882	-\$4,752	\$13,130
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a. Narrative Justification: Personnel costs for support of OCONUS contingency operations are for civilian base pay, overtime and premium pay (Sunday, hazardous duty, and night and post differential). The number of personnel fluctuates as teams rotate in and out of areas of responsibility. Significant overtime is required because of the contingency environment and abnormal conditions. We minimize the number of personnel and maximize available hours of duty, allowing the maximum efficiencies for the required contract oversight given the limited infrastructure support available to non-combatants.

b. Explanation of Change Between FY 2011 and FY 2012: The draw down in Iraq will require less Civilian Volunteers to be deployed to Iraq.

OEF

3. CBS Category/Subcategory

2.0 Personnel Support	\$3,013	\$1,940	\$1,294	\$3,234
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a. Narrative Justification: Personnel support costs for OCONUS contingency operations temporary duty (TDY) costs for the contract administration teams deployed up to 179 - 270 days each. These individuals provide technical support, interface between commercial sources of product and the customer, and physically operate DCMA support services.

b. Explanation of Change Between FY 2011 and FY 2012: Additional funds are required to fund TDY to train and deploy additional Civilian Volunteers to Afghanistan.

	FY 2010 Actual	FY 2011 Total	Delta	FY 2012 Total
OND (FY2010 will be OIF)				
4. CBS Category/Subcategory 2.0 Personnel Support	\$839	\$955	-\$146	\$809
<p>a. <u>Narrative Justification:</u> Personnel support costs for OCONUS contingency operations temporary duty (TDY) costs for the contract administration teams deployed up to 179 - 270 days each. These individuals provide technical support, interface between commercial sources of product and the customer, and physically operate DCMA support services.</p> <p>b. <u>Explanation of Change Between FY 2011 and FY 2012:</u> Less Civilian Volunteers will be trained and deployed to Iraq due to the draw down.</p>				
OEF				
5. CBS Category/Subcategory 3.0 Operating Support	\$7,112	\$11,911	\$2,676	\$14,587
<p>a. <u>Narrative Justification:</u> These costs include pre-deployment training requirements, clothing, passports, medical examinations, indoctrination, and services for the deployed teams; special equipment purchases and supplies for deployed personnel; and costs for communication equipment, office supplies, vehicle rent, and training facilities. Computer equipment and supplies must be replaced frequently due to the harsh and abnormal conditions in theater.</p> <p>These funds are also provided to contract Subject Matter Experts (SME) to support DCMA Afghanistan and DCMA Iraq in properly overseeing and evaluating contingency contractor performance of electrical services associated with life, health and safety.</p> <p>b. <u>Explanation of Change Between FY 2011 and FY 2012:</u> Additional pre-deployment training requirements, clothing, equipment and services for additional Civilian Volunteers.</p>				
OND (FY2010 will be OIF)				
6. CBS Category/Subcategory 3.0 Operating Support	\$3,493	\$5,867	-\$2,220	\$3,647
<p>a. <u>Narrative Justification:</u> These costs include pre-deployment training requirements, clothing, passports, medical examinations, indoctrination, and services for the deployed teams; special equipment purchases and supplies for deployed personnel; and costs</p>				

	FY 2010 Actual	FY 2011 Total	Delta	FY 2012 Total
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for communication equipment, office supplies, vehicle rent, and training facilities. Computer equipment and supplies must be replaced frequently due to the harsh and abnormal conditions in theater. These funds are also provided to contract Subject Matter Experts (SME) to support DCMA Afghanistan and DCMA Iraq in properly overseeing and evaluating contingency contractor performance of electrical services associated with life, health and safety.

- b. Explanation of Change Between FY 2011 and FY 2012:** Due to the draw down in Iraq, less Civilians Volunteers will be provided training, clothing and equipment to support DCMA Iraq.

Total	\$76,983	\$74,862	\$13,063	\$87,925
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OP 32 Line items as Applicable (Dollars in thousands):

<u>OP 32 Line</u>	FY 2010	Change		FY 2011	Change		FY 2012
	<u>Actuals</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
101 Exec, Gen'l & Spec Scheds	62,526	316	-8,865	53,977	0	11,480	65,457
121 Perm Change of Station	0	0	212	212	3	-24	191
308 Travel of Persons	3,852	50	-1,169	2,733	51	1,095	3,879
771 Commercial Transport	12	0	150	162	2	0	164
914 Purch Communications	1,685	22	641	2,348	33	-178	2,203
920 Supplies/Matl (non fund)	557	7	-225	339	5	135	479
921 Print & Reproduction	10	0	-10	0	0	10	10
925 Eqt Purch (non fund)	1,048	14	-362	700	10	-10	700
989 Other Contracts	7,293	95	7,003	14,391	223	228	14,842
Total	76,983	504	-2,625	74,862	327	12,736	87,925

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