

December 5, 2002



# Human Capital

Defense Contracting Command-  
Washington  
(D-2003-031)

Department of Defense  
Office of the Inspector General

*Quality*

*Integrity*

*Accountability*

## Report Documentation Page

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### **Acronyms**

AASA	Administrative Assistant to the Secretary of the Army
ACMO	Acquisition Career Management Office
ACRB	Acquisition Career Record Brief
DCC-W	Defense Contracting Command-Washington
DDP	Director of Defense Procurement
DSS-W	Defense Supply Service-Washington
EEO	Equal Employment Opportunity
TDA	Table of Distribution and Allowances
U.S.C.	United States Code
USD(AT&L)	Under Secretary of Defense for Acquisition, Technology, and Logistics



INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
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December 5, 2002

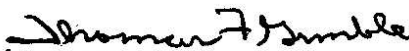
MEMORANDUM FOR DIRECTOR, DEFENSE PROCUREMENT  
AUDITOR GENERAL, DEPARTMENT OF THE ARMY  
COMMANDER, DEFENSE CONTRACTING  
COMMAND-WASHINGTON

SUBJECT: Report on Human Capital: Defense Contracting Command-Washington  
(Report No. D-2003-031)

We are providing this report for your information and use. We conducted the audit in response to a request from the Director, Defense Procurement. We considered management comments on a draft of this report in preparing the final report.

Comments on the draft of this report conformed to the requirements of DoD Directive 7650.3 and left no unresolved issues.

We appreciate the courtesies extended to the staff. Questions should be directed to Mr. Joseph P. Doyle at (703) 604-9349 (DSN 664-9349) or Mr. Michael J. Tully at (703) 604-9347 (DSN 664-9347). If management requests, we will provide a formal briefing on the results. See Appendix B for the report distribution. The team members are listed inside the back cover.

  
s/ David K. Steensma  
Deputy Assistant Inspector General  
for Auditing

## Office of the Inspector General of the Department of Defense

Report No. D-2003-031  
(Project No. D2002CK-0012)

December 5, 2002

### Human Capital: Defense Contracting Command-Washington

#### Executive Summary

**Who Should Read This Report and Why?** This report should be read by DoD procurement officials and others who are responsible for oversight of or have an interest in DoD policies regarding qualifications of acquisition personnel and staffing of contracting organizations.

**Background.** The Director, Defense Procurement requested the audit after a Procurement Management Review identified potential issues concerning equal employment opportunity, “pay banding” in employee compensation, and workforce qualifications and training at the Defense Contracting Command-Washington (DCC-W). The Director, Defense Procurement expressed particular concern that DCC-W had racial or equal employment opportunity-type problems that were affecting the performance of duties of DCC-W personnel.

DCC-W reports to the Office of the Administrative Assistant to the Secretary of the Army. The command awarded 5,249 contractual actions valued at \$1.7 billion in FY 2001. As of October 2001, the command had 245 personnel assigned. On November 15, 2001, the Defense Supply Service-Washington was renamed the DCC-W as a result of a reorganization effort to transfer the logistics functions to another Army Component.

**Results.** The audit did not identify improprieties concerning equal employment opportunity and the adoption of “pay banding,” but improvements should be made in training and organizational planning.

DCC-W did not adequately document that all its professional contracting personnel had the required education, experience, or training necessary to perform their jobs. Records for 27 (26 percent) of 102 acquisition personnel did not contain documentation that those personnel had met the requirements for their certifications. In addition, records for 46 (56 percent) of 82 personnel did not contain documentation that those personnel had received the required continuing education training. DCC-W did not have guidance in place to ensure that personnel certification and training requirements were properly documented and monitored. As a result, DCC-W could not ensure that all its professional contracting employees were properly certified and adequately trained to perform their assigned functions. DCC-W should re-examine the 27 questionable certifications to ensure that they were properly supported and granted. Also, DCC-W should develop and issue internal command guidance to ensure timely monitoring and recording of personnel training (finding A).

Planning for the reorganization creating DCC-W was incomplete. The Administrative Assistant to the Secretary of the Army had not signed the general order to establish DCC-W. In addition, DCC-W did not have an approved staffing requirement. The Administrative Assistant to the Secretary of the Army had not taken action to coordinate the approval of the general order. DCC-W did not perform or request a management study to determine the appropriate number of personnel required. As a result, DCC-W may not have the most effective and efficient organization to accomplish its mission. The Administrative Assistant to the Secretary of the Army should initiate an action to coordinate with DCC-W for an approval of a general order. Also, DCC-W should request a management study to determine personnel requirements so that an approved Table of Distribution and Allowances can be obtained (finding B).

**Management Comments and Audit Response.** The Army concurred with all the recommendations and have proposed or have taken initial actions that met the intent of our recommendations. The Army agreed to re-examine the 27 deficient Acquisition Career Record Briefs. However, the Army did not agree that the personnel did not have the necessary qualifications to perform their jobs, and provided additional information addressing some of the deficiencies in the Acquisition Career Record Briefs for the 27 DCC-W personnel. The Army agreed that DCC-W would issue internal guidance for the timely monitoring, documenting, and recording of continuous learning points; however, the guidance would depend on the pending Army-wide guidance to be issued to the field. In response to our recommendations concerning the DCC-W reorganization, the Army has initiated action to draft a general order that establishes the DCC-W. Also, the Army plans to do a management study to determine DCC-W manpower requirements in the second or third quarter of FY 2003. See the Finding section of the report for a discussion of management comments and the Management Comments section of the report for the complete text of the Army comments.

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## Background

The Director, Defense Procurement (DDP) requested the audit after a Procurement Management Review team performed a review of Defense Contracting Command-Washington (DCC-W) (formerly Defense Supply Service-Washington [DSS-W]) and identified potential issues/problems concerning equal employment opportunity (EEO), “pay banding” in personnel compensation, and workforce qualification and training. Subsequent to the start of the audit, the DDP indicated that she was primarily concerned with whether DCC-W had EEO problems that were affecting the performance of duties of DCC-W personnel.

**Defense Supply Service-Washington.** DoD Directive 5335.2, “Defense Supply Service-Washington,” April 21, 1993, sets forth policy and responsibilities for DSS-W to provide all DoD Components within the National Capital Region with administrative acquisition, supply, contractual, and related services. It designates the Secretary of the Army as the DoD Executive Agent for the administration and operation of DSS-W. DSS-W reported to the Office of the Administrative Assistant to the Secretary of the Army (AASA). In FY 2001, DSS-W awarded 5,249 contractual actions valued at \$1.7 billion. As of October 2001, DSS-W had 245 people assigned, including 8 military.

**Reorganization.** On November 15, 2001, DSS-W was renamed DCC-W as a result of a reorganization effort to transfer the logistics functions to another Army Component under the AASA. DCC-W will continue to report to the AASA and will continue to focus on small business programs, purchase cards, and supply and service contracting. Changes under the new organization include replacing formal oversight with peer review to enhance quality assurance, and utilizing both internal and external rotation programs to broaden the knowledge and skills of the workforce. DCC-W reorganization efforts are still in progress.

## Objectives

The objective was to evaluate the DCC-W reorganization plan and its management improvement initiatives to assess their potential impact on organizational efficiency and effectiveness. The DDP requested that the audit specifically address the human capital issues on EEO, “pay banding” in personnel compensation, and personnel qualification and training. The audit also reviewed the management control program as it related to the audit work performed. See Appendix A for a discussion of the audit scope and methodology and our review of the management control program.

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## Procurement Management Review Concerns

**Equal Employment Opportunity.** The records for the EEO office administering the EEO program for DCC-W did not indicate improprieties concerning EEO at DCC-W. The EEO office contact log for the last 3 years (January 1, 1999, through January 15, 2002) contained only one EEO formal complaint filed in 1999. The complaint alleged race and sex discrimination and reprisal in a nonselection for promotion action. The DoD Office of Complaints Investigation, the EEO Commission, and the Army EEO Compliance and Complaints Review Agency investigated this matter and concluded with no finding of discrimination and reprisal. We found no indication that DCC-W had EEO problems affecting mission performance.

**Personnel Compensation at DCC-W.** DCC-W adoption of “pay banding” in employee compensation was the result of the implementation of the DoD Civilian Acquisition Workforce Personnel Demonstration Project. The Under Secretary of Defense for Acquisition, Technology, and Logistics (USD [AT&L]) directed the project implementation for certain DoD organizations in February 1999. DCC-W was one of the organizations selected and has been carrying out the provisions and requirements of the project in accordance with DoD guidelines. The personnel demonstration project is for 5 years.

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## A. Certification and Training of Professional Contracting Personnel

DCC-W did not adequately document that all its professional contracting personnel had the required education, experience, or training necessary to perform their jobs. Records for 27 (26 percent) of 102 acquisition personnel did not contain documentation that those personnel had met the requirements for their certifications. In addition, records for 46 (56 percent) of 82 personnel did not contain documentation that those personnel had received the required continuing education training. The situation existed because DCC-W did not have guidance in place to ensure that personnel certification and training requirements were properly documented and monitored. As a result, DCC-W could not ensure that all its professional contracting employees were properly certified and adequately trained to perform their assigned functions.

### Certification and Training Criteria

**Certification Criteria.** Section 1701(a), title 10, United States Code (10 U.S.C. 1701(a)), requires that the Secretary of Defense establish policies and procedures for the effective management of the accession, education, training, and career development of persons serving in acquisition positions in the Department of Defense. DoD Manual 5000.52, "Acquisition Career Development Program," November 22, 1995, established the DoD career development program for acquisition personnel and prescribes the mandatory requirements for earning the three career level certifications. The certification requirements are a combination of experience, education, and training. Acquisition personnel must meet the certification level for their position within 18 months of occupying the position. In September 1999, the Army Acquisition Career Management Office (ACMO) published guidance on policies and procedures and established a central review process for the acquisition certifications within the ACMO. In May 2000, the ACMO also published certification guidelines for certifying officials at Army Components. The Acquisition Career Record Brief (ACRB) is the official document of record for the civilian career field certifications. The ACRB database is maintained by the ACMO.

**Continuous Learning Criteria.** On December 15, 1998, the USD(AT&L) issued "Reform Through Learning: USD(AT&L) Policy on Continuous Learning for the Defense Acquisition Workforce," which requires civilian and military professional contracting personnel who have completed the certification requirements for the positions they occupy to earn a minimum of 80 continuous learning points every 2 years. The 2-year period is measured from the date of certification for the position they occupy or from the date of the prior 2-year continuous learning certification. Supervisors are responsible for verifying that the individuals have completed the appropriate training. The ACMO published Army implementing guidance in November 1999. The Individual Development Plan/Continuous Learning database is maintained by the ACMO.

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## Certification and Training Documentation

**Certification Documentation.** Certifications granted to 27 (26 percent) of 102 acquisition personnel were not properly supported. We reviewed the ACRBs for 102 personnel to determine whether certifications were properly supported and granted. We determined that records for 27 personnel did not contain evidence that the personnel had the required education, training, and experience to be awarded the level of certification that had been granted. All 27 certifications had been awarded prior to issuance of ACMO guidance in September 1999. The other 75 ACRBs reviewed either did not contain a certification, were in the 18-month waiver period, or contained evidence for meeting the requirements of certifications granted. Table 1 lists the evidence that was missing in the ACRB records for the 27 employees.

**Table 1. Category or Combination of Data Missing on 27 ACRB Records**

Education Data	17
Training Data	5
Education and Training	3
Education and Experience	1
Education, Training, and Experience	<u>1</u>
<b>Total</b>	<b>27</b>

**Training Documentation.** DCC-W training records indicated that some acquisition personnel had not met the required training. We reviewed 82 records of continuous learning points for the period December 1998 through December 2000. The training records for 46 (56 percent) of the 82 acquisition personnel indicated that the personnel had not received sufficient training to comply with the 2-year 80 continuous learning points requirement. Of the 46 records, 38 indicated that the personnel had received zero continuous learning points and 8 had received between 1 and 76 points. We judgmentally selected and performed a limited review of 23 of the 46 records that showed personnel were deficient in their training. Eleven of the 23 personnel had documentation that indicated they had earned the 80 continuous learning points during the period; 3 personnel had documentation that, although they had not earned the 80 points required, they had earned more points than the records indicated; and 9 personnel could not provide documentation to prove their records were inaccurate. Thus, DCC-W could not ensure that all personnel obtained the required amount of training to meet the training standard.

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## Certification and Training Guidance

**Certification Guidance.** DCC-W did not have Army implementing guidance to follow when it processed and granted the 27 questionable certifications. DCC-W processed the 27 certifications without oversight from ACMO because ACMO involvement in the certification process commenced after guidance was published in 1999. DCC-W granted certifications without evidence that personnel met the education, training, and experience requirement for a certification.

**Training Guidance.** DCC-W did not establish internal guidance for ensuring that acquisition personnel met the continuous learning standard. The USD(AT&L) policy guidance dated December 15, 1998, required DoD Components to establish procedures, including the development of internal monitoring procedures, for verifying personnel attainment of continuous learning standards. However, DCC-W failed to issue the internal command guidance. As a result, official training records of acquisition personnel did not accurately reflect the number of points attained based on training obtained. At least 14 personnel took some training and earned points that were not credited to their records.

## Conclusion

DCC-W could not assure that 27 professional contracting personnel were properly certified. DCC-W needed to review the ACRBs and supporting documentation to determine whether the certifications were properly granted. Also, training records did not accurately reflect continuous learning points earned. DCC-W needed to ensure that professional contracting personnel met the certification and training required by the USD(AT&L). Further, DCC-W needed to develop internal policies and procedures to ensure future compliance with certification and training requirements.

## Recommendations, Management Comments, and Audit Response

**A. We recommend that the Commander, Defense Contracting Command-Washington:**

**1. Re-examine the 27 Acquisition Career Record Briefs with missing education, training, and experience data required for certification, determine whether the certifications were properly granted, and take the necessary corrective action.**

**2. Develop and issue internal written guidance for timely monitoring, documenting, and recording of continuous learning points to ensure acquisition personnel meet the required 80 continuous learning points.**

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**Army Comments.** The Army concurred with Recommendations A.1. and A.2. and have provided time lines for the implementation of the recommendations. However, the Army disagreed that the personnel did not have the necessary qualifications to perform their jobs and provided additional information addressing some of the deficiencies that we noted in the ACRB records for 27 DCC-W personnel. In response to Recommendation A.2., the Army stated that it would issue guidance for the timely monitoring, documenting, and recording of continuous learning points and that DCC-W internal guidance would depend, in large part, on the Army-wide guidance to be issued. The Army stated the target completion date for both recommendations would be the end of first quarter of FY 2003; however, the completion date for Recommendation A.2. is tentative due to dependency on the issuance of the Army-wide guidance.

**Audit Response.** We consider the Army's actions to be responsive to the intent of our recommendations. The finding was that the ACRB records did not contain evidence of certification as required. We did not mean to imply that DCC-W personnel lacked the proper certification to perform their function. The Army agreed that the ACRB records for 27 DCC-W personnel did not contain evidence of certification. The Army re-examined the 27 ACRBs that were deficient and stated that it had found documentation in other sources that support certification for 22 of the 27 personnel. The Army indicated that it is attempting to obtain additional information to support the certification of the remaining five personnel. We agree that DCC-W should wait until the Army provides its guidance for the monitoring, documenting, and recording of continuous learning points before issuing any supplemental guidance.

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## **B. Reorganizational Planning at Defense Contracting Command-Washington**

Planning for the reorganization creating DCC-W was incomplete. The Army discontinued DSS-W and stood up DCC-W without a signed order from the Administrative Assistant to the Secretary of the Army. Also, DCC-W had not adequately defined its staffing need. As a result, DCC-W might not have the most effective and efficient organization to accomplish its mission.

### **Reorganization of DCC-W**

Prior to November 15, 2001, DSS-W was responsible for contracting and logistics support functions for DoD Components within the National Capital Region. On November 15, 2001, the contracting functions were reassigned to DCC-W, a new organization. The logistics support functions of the former DSS-W were assigned to another Army organization.

### **General Order**

The Army initiated the discontinuance of DSS-W and the activation of DCC-W on November 15, 2001, without a signed general order from the AASA. Army Regulation 25-30, "Information Management: Publishing and Printing," and Army Pamphlet 25-40, "Administrative Publications: Action Officers Guide," defines a Department of the Army general order as a written directive that contains material of general interest on the establishment, redesignation, inactivity, or discontinuance of Army commands, installations, agencies, and activities. The regulation requires that general orders be coordinated and authenticated by the proponent, in this case the AASA, before publication. The Army needed to coordinate and authenticate the general order that formally establishes DCC-W.

### **Staffing Levels**

DCC-W did not perform or request a management study to determine the appropriate number of personnel required to efficiently and effectively operate the reorganized Defense Contracting Command-Washington. A Table of Distribution and Allowances (TDA) serves as a basic framework from which managers and supervisors structure organizations and establish civilian positions for the optimum efficiency and economy of the organization. The TDAs are based on results of management studies that integrate the organizational goals and objectives with the current and projected workloads and specifies the number of military and civilian positions needed at an organization. TDAs are approved by Resource Services-Washington, an AASA activity.

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Since the establishment of DCC-W on November 15, 2001, the organization has not had an approved TDA that reflects staffing consistent with its mission and workload. Also, the reorganization of DCC-W eliminated 48 personnel billets. See Table 2 for various staffing levels.

**Table 2. Various Staffing Levels for TDAs**

	<u>Total TDA</u>
September 7, 2001	245*
December 3, 2001	164
February 21, 2002	197

\*TDA was approved and includes logistics support personnel.

## Conclusion

DCC-W managers may assume risks that were not previously identified and may not be able to determine whether the objectives of the reorganization will be effectively and efficiently met. DCC-W managers need to obtain required general order approval and evaluate staffing levels based on forecasted requirements to determine the number of personnel required to effectively and efficiently perform the organization mission.

## Recommendations, Management Comments, and Audit Response

**B.1. We recommend that the Administrative Assistant to the Secretary of the Army coordinate the general order that formally establishes Defense Contracting Command-Washington with the Commander, Defense Contracting Command-Washington.**

**Army Comments.** The Army concurred and stated that a draft general order is currently being staffed. The draft general order disestablishes the Defense Supply Service-Washington and establishes the Office of the Deputy for Resources and Programs with the Defense Contracting Command-Washington as a subordinate activity.

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**B.2. We recommend that the Commander, Defense Contracting Command-Washington:**

**a. Conduct or arrange for a management study to determine the number of civilian personnel necessary to effectively and efficiently perform the assigned mission and modify future resource requests in accordance with the results.**

**b. Obtain a Table of Distribution and Allowances approval from the Administrative Assistant to the Secretary of the Army.**

**Management Comments.** The Army concurred and stated DCC-W plans on arranging for a manpower analysis to determine the number of personnel necessary to effectively and efficiently perform its assigned mission. The Army stated the DCC-W TDA is being developed as a subpart of a TDA being developed for the reorganization of the Office of the Administrative Assistant to the Secretary of the Army. The TDAs are scheduled for finalization in the first quarter of FY 2003.

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## Appendix A. Scope and Methodology

We visited DCC-W, Arlington, Virginia; the Defense Contract Management Agency, Alexandria, Virginia; the Army Acquisition Career Management Office, Fort Belvoir, Virginia; and the cognizant EEO office for DCC-W, Arlington, Virginia. Also, we contacted the Office of the Administrative Assistant to the Secretary of the Army and its two subordinate Components, Personnel and Employment Service-Washington and Information Management Support Center.

We reviewed the DCC-W reorganization plans, table of distributions and allowances, and reorganization briefing chart to assess the development of the reorganization efforts. We reviewed 102 ACRB records to evaluate DCC-W certification procedures and 82 computerized records of continuous learning points to determine contracting personnel compliance with training requirements. We also reviewed the records to evaluate DCC-W procedures for monitoring personnel training. We reviewed records for only GS-1102 series personnel and selected training records for the last 2-year completed cycle. We obtained a summary of the EEO contact log for the last 3 years (January 1, 1999, through January 15, 2002). Additionally, we obtained a list of contract actions for FYs 1999, 2000, and 2001 and reviewed FYs 2000 and 2001 Statements of Assurance for DSS-W. We performed the audit from November 2001 through August 2002 in accordance with generally accepted government auditing standards.

Subsequent to our audit announcement, the DDP met with the audit team and requested that the audit examine issues raised by a July 2001 Procurement Management Review involving equal employment opportunity, “pay banding” in employee compensation, and qualification and training of acquisition workforce. The audit examined these issues and the DCC-W reorganization efforts and management improvement initiatives. We did not review any DCC-W contracts or contractual actions. Currently, the Office of the Inspector General of the Department of Defense obtains contracting support from DCC-W in accordance with DoD Directive 5335.2.

**Use of Computer-Processed Data.** We relied on Army Acquisition Career Management Office computer-processed training records, the official records of training for DCC-W contracting personnel. We assessed the reliability of data in the system concerning the completion of training.

We determined that training data were not always recorded. However, the discrepancy would not preclude use of the computer-processed data to meet the audit objectives or change the conclusions in this report.

**Use of Technical Assistance.** We did not use technical assistance in the performance of the audit.

**General Accounting Office High-Risk Area.** The General Accounting Office has identified several high-risk areas in the DoD. This report provides coverage of the Human Capital high-risk area.

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## Management Control Program Review

DoD Directive 5010.38, "Management Control (MC) Program," August 26, 1996, and DoD Instruction 5010.40, "Management Control (MC) Program Procedures," August 28, 1996, require DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

**Scope of the Review of the Management Control Program.** We performed a limited review of the adequacy of the management controls over the operation of DCC-W. Specifically, we focused on the review of management controls over the DCC-W reorganization plans and its determination of manning requirements. We also focused the review on the adequacy of management controls over DCC-W procedures for contracting personnel certification and monitoring and recording of required personnel training.

**Adequacy of Management Controls.** We identified management control weaknesses, as identified by DoD Instruction 5010.40. DCC-W had not implemented management controls to ensure monitoring and recording of contracting personnel training. There was no internal written guidance to ensure monitoring and recording of training, and that personnel were meeting training requirements. Recommendation A.2. will improve personnel career management oversight at DCC-W. We also identified management control weaknesses regarding the command reorganization's lack of an approved general order and manning requirement. Recommendations B.1., B.2.a., and B.2.b. will resolve discrepancies associated with the DCC-W reorganization. Since the DCC-W reorganization effort is still in progress, we are unable to determine how the management control program will function overall once the reorganization is complete. A copy of the report will be provided to the senior official responsible for management controls in the Office of the Administrative Assistant to the Secretary of the Army and DCC-W.

**Adequacy of Management's Self-Evaluation.** Management's self-evaluation was not comprehensive. DCC-W officials did not identify personnel certification and training as assessable units. They also did not identify the completion of requirements for a reorganization as an assessable unit. Therefore, they did not identify or report the management control weaknesses identified by the audit.

## Prior Coverage

No prior coverage has been conducted on DCC-W human capital and organizational issues during the last 5 years.

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## **Appendix B. Report Distribution**

### **Office of the Secretary of Defense**

Under Secretary of Defense for Acquisition, Technology, and Logistics  
Director, Defense Procurement  
Under Secretary of Defense (Comptroller)/Chief Financial Officer  
Deputy Chief Financial Officer  
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### **Department of the Army**

Auditor General, Department of the Army  
Administrative Assistant to the Secretary of the Army  
Commander, Defense Contracting Command-Washington

### **Department of the Navy**

Naval Inspector General  
Auditor General, Department of the Navy

### **Department of the Air Force**

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Auditor General, Department of the Air Force

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House Committee on Armed Services  
House Committee on Government Reform  
House Subcommittee on Government Efficiency, Financial Management, and Intergovernmental Relations, Committee on Government Reform  
House Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform  
House Subcommittee on Technology and Procurement Policy, Committee on Government Reform



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# Department of the Army Comments



DEPARTMENT OF THE ARMY  
ADMINISTRATIVE ASSISTANT TO THE SECRETARY  
105 ARMY PENTAGON  
WASHINGTON DC 20310-0105

October 10, 2002

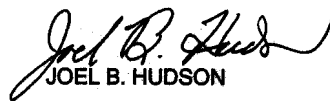
MEMORANDUM FOR THE INSPECTOR GENERAL, DEPARTMENT OF  
DEFENSE

ATTN: CONTRACT MANAGEMENT DIVISION

SUBJECT: DODIG Draft Report on Human Capital: Defense Contracting  
Command-Washington (Project No. D2002CK-0012)

The subject report has been reviewed and our comments to the findings and recommendations are attached. Concurrence is given to the findings and recommendations, however, we are submitting additional facts that are more accurate and objective to the specific statements and implications of finding A.

Any questions or additional comments concerning this should be directed to my Internal Review Directorate (SAAA-IR), attention, Mr. Steve Thompson, telephone 703-602-1959, Room 10E50 Taylor Building, Crystal City.

  
JOEL B. HUDSON

Attachments

CF: USAAA

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**HEADING:** DoDIG Report D2002CK-0012, Finding and Recommendations A, Certification and Training of Professional Contracting Personnel.

**FINDING:** Records (Acquisition Career Record Briefs—ACRBs) for 102 personnel indicate that 27 (26 percent) had not met the requirements for their DAWIA certifications, and records for 82 personnel indicate that 46 (82%) had not received the required continuing education training. DCC-W did not have guidance in place that would ensure proper personnel certification and adequate training of its personnel. As a result, DCC-W could not ensure that all its professional contracting personnel were properly certified and adequately trained to perform their assigned functions.

**ADDITIONAL FACTS:** Disagree with specific statements and the implications of the finding. The following comments are submitted for accuracy and objectivity:

a. Certification Issues:

1. Not all of the 27 individuals cited were certified by DCC-W. Three were certified by other Services or a Defense Agency and 9 were certified by the Office of the Director, Acquisition Career Management (Army).

2. Except for members of the Acquisition Corps and Corps Eligible personnel, DAWIA 1102 Series eligibility data is not displayed on the ACRB. This data is stored in a supporting database within the Army's Career Acquisition Personnel and Position Management Information System (CAPPMIS).

3. Following are specific comments on the 27 ACRBs which were broken down by the DoDIG into 5 categories:

(a) Training not reflected (5 employees): Two employees certified by other Services/Defense Agency. One employee had completed the required training but it was not reflected on the ACRB because of space limitations; however the course was captured in the supporting database. One employee had completed the required training inasmuch as the Intermediate Pricing Course was not required for Level II certification until after 1 January 1995. One employee has retired.

(b) Education, Experience and Training not reflected (1 employee). Need to obtain additional information on this employee.

(c) Education not reflected (17 employees). Nine employees had completed 24 Business Credit Hours to fulfill their 1102 Series eligibility. Four employees had completed 10 years of Acquisition experience prior to 1 October 1991 to fulfill their 1102 Series eligibility. One employee was certified by another Service. One employee has retired. Need to obtain additional information on two employees.

**ATTACHMENT (1)**

(d) Education and Experience not reflected (1 employee). Need to obtain additional information on this employee.

(e) Education and Training not reflected (3 employees). One employee had completed 24 Business Credit Hours for their 1102 Series eligibility and training was complete inasmuch as the Intermediate Pricing Course was not required for Level II certification until after 1 January 1995. One employee did, in fact, complete all Level III training prior to Level III certification as the certification date shown on the ACRB is incorrect. Need to obtain additional data on one employee.

b. Continuous Learning (CL) Issues:

1. The ACRBs only reflect CL points once the employee has attained certification at the DAWIA level required for that position. Currently there are 13 DCC-W 1102s pursuing their required certification. Additionally, the two-year cycle for 26 DCC-W employees does not end until 2003 or 2004. For the 55 employees whose cycle ends in December of 2002, 39, or 71%, have 40 or more CL points reflected on their ACRBs.

2. In July 2002, OSD announced a change to the CL Policy. The major change is that beginning in FY 03, Acquisition Workforce employees must earn a minimum of 40 CL points per year. Army implementation and guidance still pending.

**RECOMMENDATIONS:**

**A. We recommend that the Commander, Defense Contracting Command – Washington:**

**1. Re-examine the 27 Acquisition Career Record Briefs with missing education, training, and experience data required for certification, determine whether the certifications were properly granted, and take the necessary corrective action.**

**2. Develop and issue internal written guidance for timely monitoring, documenting, and recording of continuous learning points to ensure acquisition personnel meet the required 80 continuous learning points.**

**ACTION TAKEN/PLANNED:**

Recommendation A1. Concur, however after reviewing the ACRBs and supporting data bases within CAPPMS, as discussed in the "Additional Facts" portion of this response, there are only 5 employees for which additional "hard copy" educational/experiential/training information needs to be obtained.

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**Recommendation A2. Concur that guidance for timely monitoring, documenting and recording of CL points is needed. The extent to which that must be internal guidance will depend in large part on the manner in which the Army implementation is disseminated to the Field. DCC-W senior management has emphasized, and will continue to emphasize to its employees, the necessity of not only obtaining continuous learning but also documenting it in their Individual Development Plans.**

**TARGET DATES:**

**Recommendation 1. End of 1<sup>st</sup> quarter FY-03.**

**Recommendation 2. End of 1<sup>st</sup> quarter FY-03 (Tentative. Dependent on issuance of Army guidance to Field).**

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**HEADING:** DODIG Report D2002CK-0012, Finding and Recommendations B, Reorganizational Planning at Defense contracting Command-Washington.

**FINDING:** Planning for the reorganization creating DCC-W was incomplete. The General Order establishing DCC-W has not been signed. Also, DCC-W had not adequately defined its staffing need. As a result, DCC-W might not have the most effective and efficient organization to accomplish its mission.

**RECOMMENDATIONS:**

**B.1. We recommend that the Administrative Assistant to the Secretary of the Army coordinate the general order that formally established Defense Contracting Command-Washington with the Commander, Defense Contracting Command-Washington.**

**ACTIONS TAKEN/PLANNED:** Concur. A draft General Order entitled "Realignment of the Office of the Administrative Assistant and Disestablishment of Headquarters Services-Washington" is currently being staffed. The draft General Order includes the disestablishment of Defense Supply Service-Washington and the establishment of the Deputy for Resources and Programs with the Defense Contracting Command-Washington as a subordinate activity.

**TARGET DATE:** The projected authentication date of the draft General Order is 31 October 2002.

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**HEADING:** DoDIG Report D2002CK-0012, Finding and Recommendations B, Reorganizational Planning at Defense contracting Command-Washington.

**FINDING:** Planning for the reorganization creating DCC-W was incomplete. The General Order establishing DCC-W has not been signed. Also, DCC-W had not adequately defined its staffing need. As a result, DCC-W might not have the most effective and efficient organization to accomplish its mission.

**RECOMMENDATIONS:**

**B.2. We recommend that the Commander, Defense Contracting Command-Washington:**

**1. Conduct or arrange for a management study to determine the number of civilian personnel necessary to effectively and efficiently perform the assigned mission and modify future resource requests in accordance with the results.**

**2. Obtain a Table of Distribution and Allowance approval from the Administrative Assistant to the Secretary of the Army.**

**ACTIONS TAKEN/PLANNED:** Concur with both recommendations.

**TARGET DATE:** DCC-W plans on arranging for a manpower analysis in the 2<sup>nd</sup>-3<sup>rd</sup> quarter of FY-03. The TDA for DCC-W is a sub-part of one of four TDAs being developed for various elements within the Office of the Administrative Assistant to the Secretary of the Army as part of that office's reorganization. Those TDAs are scheduled for finalization in the first quarter of FY-03.

**ATTACHMENT (2)**

## **Team Members**

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