



# The Misperception of Contingency Contracting

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When many people think of contingency contracting, a myriad of images come to mind. Many of these images are related to war, as in Iraq and Afghanistan. Contingency contracting is something done by soldiers on the battlefield. Other images revolve around the activities associated with contingency contracting—typically images of military men and women carrying bags full of money executing purchases on foreign soil. While these images are not totally inaccurate, they are limited in scope.

## Contingency Contracting, Broader in Scope

First, contingency contracting is much broader in scope than Major Theater War (MTW). While a huge focus is placed on contingency contracting in Iraq and Afghanistan, contingency contracting officers (CCOs) are trained to support a wide range of operations—both MTW and Military Operations Other Than War (MOOTW). Small scale conflicts, contingency operations such as counter-drug operations and combating terrorism as well as disaster relief operations fall under the umbrella of contingency operations. Hurricane Katrina and relief operations in the aftermath of the earthquakes and floods in Pakistan are striking examples of recent disaster relief operations.

Secondly, contingency contracting operations are supported by both military and civilian operators from a myriad of organizations. While early entry modules in MTW normally support contingency contracting with military

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personnel, as the operation matures civilian assets are often deployed in support of contingency operations.

### **Civilian Expeditionary Workforce**

The Civilian Expeditionary Workforce (CEW) is a cadre of Department of Defense (DoD) civilian employees that have been pre-identified for support of DoD contingency operations. The members of the CEW have been organized, trained, and equipped in a manner conducive to support of operational needs.

CEW management has evolved from the original Emergency Essential (E-E) and other ad hoc arrangements to a new taxonomy structured for the 21st century. CEW members may be designated as: 1) Emergency-Essential (E-E), 2) Non-combat Essential (NCE), and 3) Capability-Based Volunteers, including Capability-Based Former DoD Employees. Members of the CEW support contingency operations by either deploying forward or performing backfill missions for DoD personnel who have deployed.

Members of the CEW have supported operations in Kuwait, Iraq, and Afghanistan procuring supplies, services, and construction as well as performing contract administration functions that are critical to the contracting process. For example, CEW provides robust capability to the U.S. Army Corps of Engineers. Contracts for medical facilities and other structures that are critical to the rebuilding of Iraq are executed by members of the military and CEW. In Afghanistan, contracts for support of Provisional Reconstruction Team (PRT) facilities, the building of wells and schools—all are executed by a mix of dedicated military and civilian contracting personnel.

Another important function performed by civilians in support of contingency contracting efforts in Iraq and Afghanistan is reachback. Reachback provides a critical capability to deployed contracting offices. Reachback operations provide contracting support for requirements that are far too complex for in-theater contracting offices; for requirements in which the reachback office has specialized skills, knowledge, or expertise; or for requirements for which the contracting process can be done much more efficiently outside the Area of Responsibility (AOR).

Reachback operations can also increase the pool of potential operators available to assist in contingency contracting operations. Those personnel who are not medically able to deploy in support of contingency contracting operations can still, in many instances, support through reachback operations in the continental United States locations. This has the impact of providing additional support, limiting the downrange footprint, and increasing the mean time between deployments for deployable assets.

Thirdly, contingency contracting operations have evolved from the lone contracting officer with a paying agent with a bag full of money following him throughout the vendor base. While in

the initial stages of contingency contracting operations, this approach may be advisable, contingency operations typically morph very quickly into a level of complexity that demands a more sophisticated approach to contracting. Contingency contracting operations, with a host of nuances and complexities soon overwhelm operating with this level of sophistication. Technology, resulting in improved e-business processes and tools, shatters this myth of oversimplification of the contingency contracting process. Three major e-business tools have evolved to support recent contingency operations: 1) Synchronized Pre-deployment Tracker - Enterprise Suite (SPOT-ES), 2) Contingency Acquisition Support Model (CASM), and 3) 3-n-1 tool.

### **Contingency Contracting Misperceptions**

A number of long-standing misperceptions surrounding contingency contracting persist. So what is the reality? The first reality is that contingency contracting is contracting in an expeditionary environment—a concept that is foundational to understanding contingency contracting. Inherent in that statement are a number of things crucial to the success of contingency operations. The most basic is that contingency contracting is not for the uninitiated. Contingency contracting allows for a great number of contracting flexibilities to be applied to the contracting process. The key, however, is a fundamental understanding of the contracting process itself. Extensive baseline knowledge of the Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS) is critical for success in contingency operations. CCOs must have an extensive knowledge of pre-award through post-award actions inclusive of acquisition planning, contract types, contract pricing, contract financing, and source selection below and above the Simplified Acquisition Threshold to successfully support customer requirements in an expeditionary environment. It is only atop this baseline expertise that the CCO can then start to think about applying the flexibilities inherent to a specific contingency operation.

According to testimony before the Commission on Wartime Contracting (COWC), a well-trained workforce is foundational and critical to the acquisition process. The good news is that progress is being made in this area. Training courses, both resident and online, as well as on-the-job training are helping to develop expertise in CCOs. For example, the Air Force uses the Mission Ready Airmen Course (MRAC) for training enlisted personnel and the Mission Ready Contracting Officer Course (MRC) for Air Force officers and civilians (on a space-available basis). As most deployed contingency contracting offices are joint in nature, with a mixture of the different services, as well as, civilians, CCO training often takes on a similar flavor, as exemplified by the Army sending some personnel to the Air Force MRAC course.

As another critical component in the training of CCOs, The Defense Acquisition University (DAU) has taken significant steps to improve training for contingency contracting personnel, both military and civilian. DAU restructured Con-

tingency Contracting (CON 234) into the Joint Contingency Contracting Officer course to update and align the curriculum with the Joint Contingency Contracting Handbook. In addition, a new simulation, Barda Bridge, was developed and fielded in 2008. Given the recognition that different/enhanced skill sets were required of those in leadership positions in contingency contracting operations, DAU developed and fielded a new course designed for that target audience (CON 334). CON 334 is a 4-day intensive work experience that requires potential Chiefs of Contracting Offices or staff-level personnel to engage in thinking about contracting actions from operational and strategic perspectives. Work is ongoing to inject new gaming simulations into CON 334.

In addition to the traditional classroom environment, engagement in exercises and other training events support the development of the contingency contracting workforce. Pre-deployment immersion exercises, consisting of a mixture of classroom and field exercises, hone the necessary skills for success in the contingency environment. Emphasis on, and improvements in, training highlight the good news side of the story. The bad news for many is that developing a proficient and well-trained CCO takes time. Education and training cannot wholly substitute for experience. Great CCOs are a product of education, training (classroom, online, and on-the-job training), and experience.

One of the other great misperceptions about contingency contracting is that there are no rules. In corollary, the infamous quote, "The FAR doesn't apply here," has been spoken in every contingency operation in recent history: Bosnia, Kosovo, Iraq, and Afghanistan. Hurricane Katrina was, in all probability, spared because operations were conducted on U.S. soil. The FAR is applicable to all contingency operations. Special provisions and relaxation of the rules, if required, are part of the flexibilities inherent to the process of contingency contracting. This "no rules" misperception is yet another reason to ensure that contingency operations are supported by the qualified. Quantity and quality are not synonymous with respect to CCOs. If the contracting process is not well-managed, mismanagement can potentially lead to less than efficient operations that increase opportunities for fraud, waste, and abuse.

According to the Commission on Wartime Contracting ([www.wartimecontracting.gov](http://www.wartimecontracting.gov)), Congress has appropriated in excess of \$830 billion since 2001 to fund Operations Enduring Freedom (OEF) and Iraqi Freedom (OIF). Given the often immature business environments in which CCOs operate, the high operational tempo under which they operate, the number of contracting actions they execute, along with the associated dollar amounts of obligations, oversight are critical to the effectiveness and efficiency of the contracting process.



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Significant oversight initiatives have been taken with respect to operations in OEF and OIF. The Army commissioned a review of Army contracting operations which resulted in the *Gansler Commission Report: Urgent Reform Required: Army Expeditionary Contracting* published in 2007. In addition to the *Gansler Commission Report*, reports were also promulgated from the Special Inspector General for Iraqi Reconstruction and the Special Inspector General for Afghanistan Reconstruction.

Under Section 841 of the National Defense Authorization Act, an eight-member bipartisan legislative committee was established to study contracting operations in Iraq and Afghanistan. The COWC was mandated to study/review federal agency activities with respect to reconstruction, logistics, and security, with a specific emphasis on assessing the extent of fraud, waste, abuse, and overall mismanagement in wartime contracting. In addition to the COWC, the DoD Inspector General (IG) has also conducted extensive reviews and audits of operations in Iraq and Afghanistan. Given the amount of oversight of contingency operations, in addition to the investigative services of the military services, the Defense Contract Audit Agency (DCAA), and normal contractual legal reviews, the myth of "anything goes" in contingency operations should be completely shattered.

So after a truncated and succinct exploration of the misperceptions surrounding contingency contracting, what are the take-aways?

1. It takes a village. Contingency contracting operations are a synchronized orchestration of military and civilian assets from the military departments (Air Force, Army, Marines,

and Navy), combat support and other agencies (Defense Contract Audit Agency [DCAA], Defense Contract Management Agency [DCMA], Department of Homeland Security [DHS], Federal Emergency Management Agency [FEMA], Defense Logistics Agency Joint Contingency Acquisition Support Office [DLA JCASO]), and oversight (IG, investigative agencies, legal, special commissions) across the full spectrum of the acquisition process from pre-award planning activities through award, contract administration, and contract closeout.

2. Contingency contracting is not for the untrained and uninitiated. The rapid and complex change, the high Operations Tempo, and the often immature business environments in which CCOs operate dictate that those selected for contingency operations are well-trained and qualified.
3. Train as you fight. This dictum is not just for the warfighting community. Those engaged in contingency contracting operations need classroom training, online assets, realistic and rigorous immersion exercises, and major field exercises to practice and hone their craft.
4. CCOs operate in a 21st century technological operating environment. CCOs cannot afford to be technology challenged. Dramatic improvements have been made with respect to business processes and the introduction of electronic business tools into the contingency contracting environment. CCOs must be able to adapt rapidly to changes in technology and the introduction of new business processes and tools into the contingency contracting operation.
5. While much has been written and revealed about contractual abuses, fraud, and mismanagement, the overwhelming majority of personnel, both military and civilian, deployed and performing reachback operations, in support of contingency contracting operations are hard working, well-trained professionals to whom we owe a huge "thank-you" for the dedication and caring they bring to the support of contingency operations.

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