



United States Department of State

Washington, D.C. 20520

JUL 09 2010

Dear Madam Chairman:

Thank you for your letter of June 16 regarding the Department's request to the Department of Defense (DoD) for certain equipment and other assistance in Iraq. The Department made the request as part of its efforts to plan the best and most cost effective way to fulfill its mission objectives in Iraq following the U.S. military drawdown.

One primary mission objective is to continue to provide the best possible security and safety for the U.S., Iraqi, and third country national personnel working for the U.S. government at offices and facilities throughout Iraq. Much of the requested equipment is intended for this purpose and may be surplus to DoD requirements. In many cases the Department does not have the specialized equipment unique to DoD's current support role.

Per your request of June 16, please find enclosed a copy of Under Secretary Kennedy's letter and related attachments sent to DOD Under Secretary Ash Carter on April 7. Also enclosed is the Department's written response to your five questions of June 16. Once you have reviewed the enclosed, we would be pleased to meet with your staff to discuss any additional questions.

We hope this information is helpful. Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

Richard R. Verma
Assistant Secretary
Legislative Affairs

Enclosures: As stated

The Honorable
Claire McCaskill, Chairman,
Subcommittee on Contracting Oversight,
Committee on Homeland Security and Governmental Affairs,
United States Senate.

The State Department is pleased to provide the following information in response to the five specific questions posed in your letter June 16:

1. Will private security contractors, including contractors under the State Department's Worldwide Personal Protective Services contract, be operating the requested equipment, vehicles, and aircraft?

The Department of State (DOS) does not presently maintain a cadre of qualified drivers/operators for some requested equipment, such as MRAPS, and, as such, would need to supplement current skill sets within its WPPS contract to ensure operational capability. If/when DoD provides the requested equipment, the Department will modify the relevant contracts to require that the equipment be operated and maintained by contractor personnel in accordance with manufacturer, DoD, or other applicable standards. Contract modifications will also require that contractor personnel possess the necessary qualifications and complete the requisite training to properly operate and maintain the equipment. Any aircraft provided to the Department will be incorporated into an existing Department aviation support contract.

2. What increased management and oversight is planned by the State Department to ensure that these vehicles, aircraft, and equipment are not misused by contractors?

The Department currently provides vehicles, aircraft, and other equipment for use by contractors as Government Furnished Equipment (GFE). All GFE is managed and accounted for in accordance with the requirements of the relevant contract and the Federal Acquisition Regulation. As this equipment would be deployed under existing infrastructure as a means to supplement current inventories of equipment, it is likely that very little additional oversight resources would be necessary to ensure the proper deployment of these assets. Contemplated services to maintain this equipment in serviceable condition would be included in contracted maintenance services.

Any aircraft received by the Department will be incorporated into its existing aviation support contract, which has a well-established oversight mechanism to ensure U.S. Government resources are used effectively and efficiently. This oversight mechanism includes an aviation staff at Patrick Air Force Base that consists of specialists in aviation operations and standardization, maintenance, logistics, and contract administration, as well as personnel

assigned in the field operation as Contract Quality Assurance Evaluators who perform contract oversight on a daily basis to prevent misuse of U.S. Government equipment. The contract administration function also includes oversight by an industrial property management specialist responsible for ensuring contractor compliance with contract terms and the Federal Acquisition Regulation regarding contraction management of USG property in its custody. This program was selected as Outstanding Large Federal Government Aviation Program twice in the past several years by the GSA Interagency Committee for Aviation Policy.

- 3. What individuals or companies outside the State Department communicated with you or other State Department concerning the need for combat equipment?**

The Department discussed this with the Department of Defense and its various entities, including the Army Materiel Command (USAMC) and Defense Logistics Agency (DLA), to identify equipment that may be excess to DoD but with a remaining serviceable life and utility to the Department.

- 4. Does the State Department plan to request that the defense Department compete its requirements for life support services under LOGCAP IV?**
Yes, the Department expects its requirements can be quickly revived for a competitive procurement under LOGCAP IV. These requirements were in the competitive LOGCAP IV Base Life Support solicitation that the Army canceled on May 5, 2010.

- 5. If the State Department's request to use LOGCAP is denied, how does the Department plan to ensure that the next contract for life support services is as transparent, competitive, and accountable as possible?**

Should the LOGCAP mechanism be unavailable, the Department will follow Federal Acquisition Regulation competitive procedures in any separate procurement action. Due to the long acquisition lead-time involved, the Department has already initiated action to develop a competitive solicitation for the base life support requirements should it be unable to remain under the LOGCAP program. This solicitation is referred to as the Baghdad Life Support Services acquisition, or BLISS contract. If necessary, the Department could issue a Request for Proposals for the BLISS contract in a very short time.