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OFFICE OF THE UNDER SECRETARY OF DEFENSE

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ACQUISITION AND TECHNOLOGY

July 20, 1999

DP/CPA

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY (PROCUREMENT)
EXECUTIVE DIRECTOR, ACQUISITION AND BUSINESS MANAGEMENT, OASN (RD&A)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (CONTRACTING)

SUBJECT: Reporting on the Use of Multiple Award Task Order Contracts

A recent DoD IG report on Multiple Award Task Order Contracts found inadequate competition of task orders. DD 350 data on this subject has proven inconclusive. Rather than the immediate imposition of a department-wide competitive goal of 90% for such task orders, as originally recommended by the DoD IG, I have agreed to review a sample of such cases.

Therefore, I request each military department identify ten multiple award task order situations and provide the following information to my office on a semi-annual basis for one year, with the first report covering data from July, 1999 through December, 1999:

1. Number of contracts in each multiple award situation.

2. General nature of services procured in each multiple award situation.

3. For each situation, the number of task orders awarded in the period.

4. For each situation, the number of competitive solicitations for task orders issued in the period.

5. For each situation, the number of offers submitted for each competitive solicitation.

6. For each situation, the number of task orders awarded in the period on the basis of a "fair opportunity to be

considered" without the issuance of a competitive solicitation.

7. For each situation, the number of uses of exceptions cited in FAR 16.505(b)(2). Indicate the number of times each exception was used.

The first report is due on January 31, 2000, and the second on July 31, 2000. Please submit this information to Steve Cohen of my staff. His telephone number is 695-8571. He can also be reached electronically at [scohen@acq.osd.mil]. I believe the intent of the multiple award task order contracting approach is to allow for continuing competition for task orders throughout the term of the multiple contracts. I hope we can demonstrate sufficient competitive activity in this area to preclude a broader reporting requirement.

Eleanor Spector

Eleanor R. Spector
Director of Defense Procurement