

Project On Government Oversight

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July 21, 2010

Defense Acquisition Regulations System
Attn: Ms. Amy Williams
OUSD (AT&L) DPAP (DARS)
3060 Defense Pentagon, Room 3B855
Washington, DC 20301-3060

Subject: DFARS Case 2009-D015—Organizational Conflicts of Interest in Major Defense Acquisition Programs

Dear Ms. Williams:

The Project On Government Oversight (POGO) provides the following public comment to DFARS Case 2009-D015, “Organizational Conflicts of Interest in Major Defense Acquisition Programs” (75 Fed. Reg. 20954, April 22, 2010). The proposed rule issued by the Department of Defense (DoD) seeks comments on additional requirements for organizational conflicts of interest (OCI). As an independent nonprofit organization committed to achieving a more accountable federal government, POGO supports the implementation of new standards and procedures to better detect and avoid actual or potential organizational conflicts of interest and thereby increase public confidence in defense contracting.

DoD is proposing to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to clarify OCI regulations and implement Section 207 of the “Weapons System Acquisition Reform Act of 2009.” Pub. L. 111-23. Accordingly, DoD has issued a proposed rule “to provide uniform guidance and tighten existing requirements for organizational conflicts of interest by contractors in major defense acquisition programs.” Additionally, it requires DoD to address OCIs that could arise from lead system integrator contracts, contracts where a service contractor (or subsidiary) might simultaneously work as a prime contractor or supplier of a major subsystem or component, and when contractors provide technical evaluations on major defense acquisition programs.¹ The proposed rule also requires DoD to receive advice from independent, unbiased sources and states that limited exceptions to the requirements are permitted when “necessary.”²

These ethics restrictions are vitally important. Mergers and acquisition have caused a severe reduction in the number of defense contractors, and those contractors have expanded their capabilities to include a vast range of goods and services, including

¹ Pub. L. 111-23, Sec. 207(b)(1).

² Pub. L. 111-23, Sec. 207(b)(2)-(4).

