



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

JAN 29 2009

MEMORANDUM FOR SECRETARY OF THE ARMY
UNDER SECRETARY OF DEFENSE FOR ACQUISITION,
TECHNOLOGY AND LOGISTICS
DIRECTOR, DEFENSE PROCUREMENT ACQUISITION
POLICY AND STRATEGIC SOURCING
DIRECTOR, DEFENSE CONTRACT AUDIT AGENCY
DIRECTOR, DEFENSE CONTRACT MANAGEMENT
AGENCY
INSPECTOR GENERAL, DEPARTMENT OF THE ARMY
DIRECTOR, ARMY ACQUISITION SUPPORT CENTER
COMMANDER, TANK-AUTOMOTIVE AND
ARMAMENTS COMMAND

SUBJECT: Review of Army Decision Not to Withhold Funds on the Logistics Civil
Augmentation Program (LOGCAP) III Contract
(Project No. D2009-DIP0AI-0141.000)

In response to a request from the Senate Committee on Armed Services, we are performing a review of Army official actions to not withhold LOGCAP III funds after the Defense Contract Audit Agency (DCAA) questioned certain contract costs. As part of our review, we will determine the appropriateness of related Army official decisions, including compliance with the Federal Acquisition Regulation.

By February 6, 2009, we request that each office receiving this memorandum to provide a point of contact for our review.

By February 13, 2009, we request that the Army provide the following information:

- A copy of the LOGCAP III contract
- Names, current job titles, prior job titles (as of August 2004), and current contact information of Army officials involved in the decision whether to withhold funds
- Copies of DCAA audit reports associated with the decision
- Negotiation memorandum(s) resolving the DCAA reported questioned costs
- Any Army legal opinion(s) addressing the withhold decision

- Any written justification contained in the contract file for using RCI Holding Corporation to provide cost and price analysis on the LOGCAP III contract

Please provide the requested information in electronic format, if possible.

If you have any questions, please contact me at (703) 604-8877, or at carolyn.davis@dodig.mil, or Ms. Meredith Long-Morin, Program Director, at (703) 604-8739, or at meredith.morin@dodig.mil.

Carolyn R. Davis

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