



TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

DEC 09 2010

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANT SECRETARY OF DEFENSE (NETWORKS AND
INFORMATION INTEGRATION)
DIRECTOR, NATIONAL SECURITY AGENCY

SUBJECT: Federally Funded Research and Development Center (FFRDC) Contracting

As we implement the Secretary's efficiencies, including those that are directed in my memorandum dated September 14, 2010, I believe the single most important enabler of the improvements we seek is to increase the competence, quality, and performance of the acquisition workforce. At the same time, we need to continue to make effective use of the other two important sources of technical, acquisition, and logistics expertise available to the Department: DoD's FFRDCs, and industry contractors. In particular, FFRDCs were established to provide the Department with unique analytical, engineering, and research capabilities in many areas where the government cannot attract and retain personnel in sufficient depth and numbers. They also operate in the public interest free from organizational conflicts of interest and can therefore assist us in ways that industry contractors cannot. Our FFRDCs maintain core competencies in domains that continue to be of great importance to the Department. These are immensely valuable capabilities, and the Department should use all means available to preserve and strengthen them.

In recognition of the unique role that FFRDCs play in fulfilling our critical needs, we establish long-term relationships between the Government and the FFRDCs in order to attract and retain high-quality and knowledgeable personnel to the FFRDCs. As a result, we should employ contracting methodologies that provide the strongest long-term strategic relationships with our FFRDCs. We are working with the FFRDC sponsors to identify the most effective contracting strategies to support these long-term strategic relationships consistent with law and regulation. Use of any of these contracting strategies will be supported by rigorous sponsor comprehensive reviews conducted every five years, and a strengthened annual review of each FFRDC, conducted by my office, thereby ensuring that we have robust program management and oversight of these capabilities to ensure they are fulfilling their intended purposes.

I appreciate your support in further strengthening these important long-term strategic relationships. Questions may be referred to Mr. Mark Krzysko at (703) 845-2192 or by e-mail at mark.krzysko@osd.mil.

Ashton B. Carter

cc:

Service Acquisition Executives
Service Procurement Executives