



DEFENSE THREAT REDUCTION AGENCY
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MEMORANDUM

DATE: March 2, 2015

TO: All Current Cooperative Threat Reduction Contractors

SUBJECT: Organizational Conflict of Interest (OCI) and Classification of Contractors

BACKGROUND: The Cooperative Threat Reduction (CTR) Program has historically had two classifications of contractors: operations support contracts, which has included thus far only the CTR "Advisory & Assistance Services (A&AS)" contract, and "Performers" which included holders of the multiple award indefinite delivery/indefinite quantity (IDIQ) Biological Threat Reduction Integrating Contract (BTRIC) and Cooperative Threat Reduction Integrating Contract (CTRIC), the single award IDIQ CTR Logistics Services (CLS) Contract, grants, 8(A) contracts and direct contracts with host country contractors providing threat reduction services. The CTR Program has utilized an avoidance strategy to OCI that stipulates that the operations support contractor (A&AS contractor) cannot also be a performing contractor. Following the object classification code changes this year and as part of the acquisition planning process for both the A&AS and CLS follow-on contracts, a new approach will be implemented that still maintains the avoidance strategy.

APPROACH: The CTR Program will have two classifications of services: Operations Support which will include the A&AS contract, the CLS Contract, and, if a separate contract is awarded, Language Support contract, and Mission Execution which will include all other contracts as "performer" contracts. As a result of this reclassification, the CLS contract will be modified to include OCI protections.

Classification Group A: Operations Support

Operations Support will consist of A&AS, Logistics, and Language Support functions, and would be implemented through multiple contracts. Language support may be provided by a separate contract, or may be incorporated into either the logistics contract, the A&AS contract, or both.

Classification Group B: Mission Execution

Mission Execution will consist of all other functions that the CTR Program requires to accomplish its threat reduction mission, and would be implemented through contracts such as CTRIC, BTRIC, Direct Contracts, Grants, 8A Providers, and the Science & Technical Engagement Partnership Program Contract currently under solicitation (Solicitation #CTB 12627).

Contractors would be subject to OCI contract provisions that would limit their performance to contracts in Group A Operations Support or Group B Mission Execution, as defined above. For example, a contractor could perform on multiple contracts in Group B, but then could not perform on any contracts in Group A. Conversely, a contractor could perform on multiple contracts in Group A, but could not perform on any contracts in Group B.

RATIONALE: This classification system serves to separate the functions, and therefore the contractors, in such a way that minimizes known or potential OCI issues. The contractors performing operations support have, by the nature of their work, access a broad range of information from Mission Execution contractors, including advance knowledge of requirements, cost and pricing information, and scheduling information that provides them with a competitive advantage; thus these contract holders must be prohibited from also performing work as a Mission Execution contractor in order to be in compliance with statutory competition requirements and regulatory organizational conflict of interest limitations.

Please direct any questions on the above matter to Michael Donaldson, Branch Chief, Contracting Division, at Michael.Donaldson@dtra.mil.

Sincerely,

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