



THE UNDER SECRETARY OF DEFENSE  
3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

APR 15 2009

The Honorable Ike Skelton  
Chairman, Committee on Armed Services  
United States House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

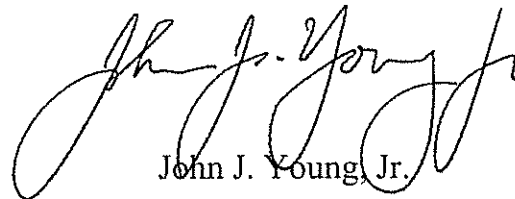
Thank you for your March 26 letter to the Secretary of Defense concerning DoD use of Office of Management and Budget (OMB) Circular A-76.

The Department has ceased to initiate any new public-private competitions as required by section 737 of the Omnibus Appropriations Act for FY 2009, P.L. 111-8. Additionally, the Department is reviewing the current program and is looking at the status of ongoing competitions.

The President's March 4 memorandum on Government Contracting requires the Director of OMB to issue government-wide guidance to clarify when government outsourcing for services is and is not appropriate, consistent with section 321 of the Duncan Hunter National Defense Authorization Act for FY 2009, P.L. 110-417. The Department is working with OMB officials in the development of government-wide guidance in accordance with the President's direction.

A similar letter has been sent to Chairman Ortiz.

Sincerely,

A handwritten signature in cursive script that reads "John J. Young, Jr.".

John J. Young, Jr.

