OFFICE OF UNDER SECRETARY OF DEFENSE



3000 DEFENSE PENTAGON WASHINGTON, DC 20301-3000

SEPT 29, 1998

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Report Requirement for Section 801 of FY 98 Defense Authorization Act

Pursuant to a requirement contained in the conference report accompanying the FY 98 Defense Authorization Act (Section 801). military departments, defense agencies and other OSD components must submit a report on "severable" contract services not later than 15 days after the end of both fiscal years (FY) 1998 and 1999. "Severable services" are continuing and recurring services that must be charged to the FYs in which they are rendered. The report must include information on the procurement of severable services for a period that begins in one fiscal year and ends in the next if (without any option to extend the period of the contract) the contract period does not exceed one year. The report shall contain the following information:

- (1) the total amount and sources-of funds obligated under the authority of Section 801 of the FY 98 Defense Authorization Act,
- (2) the types of services procured under that authority,
- (3) when the services were ordered and when provided, and
- (4) the reasons in each case why the authority was required to be used.

The report (Report Control Symbol is DD-A&T(A)2055) should be submitted to Steven Cohen of my staff. His mailing address is OUSD(A&T)DP/CPA, Room 3C838, 3060 Defense Pentagon, Washington, DC 20301-3060. He can also be reached by fax at (703) 614-1254, by phone at (703) 695-8571, and by e-mail at scohen@acq.osd.mil.

Eleanor R. Spector

Director of Defense Procurement

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