



DEFENSE FINANCE AND ACCOUNTING SERVICE  
ARLINGTON

1851 SOUTH BELL STREET  
ARLINGTON, VA 22240-5291

The Honorable Duncan Hunter  
Chairman  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC 20515

MAY 9 2005

Dear Mr. Chairman:

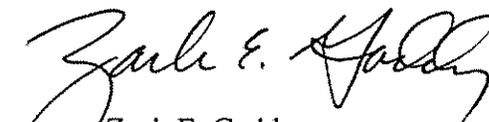
This letter updates a prior notification required by Title 10, Section 2461 of the United States Code, and made on May 9, 2003, that informed you and other interested Members of Congress that the Defense Finance and Accounting Service (DFAS) planned to start an A-76 competition of the Marine Corps accounting function. That work is performed by civilian and military employees at Kansas City, Missouri and Ford Island, Hawaii.

DFAS has decided to not conduct an A-76 competition at this time. The Marine Corps Accounting function will instead be incorporated into an agency-wide effort to standardize and improve the operation, and reduce the cost of all the accounting work performed by DFAS for the Department of Defense (DoD). After completion of that initiative, DFAS intends to investigate the feasibility of conducting A-76 competitions for accounting work.

The public announcement of the Marine Corps competition was previously delayed to comply with new preliminary planning requirements in the revised Office of Management and Budget Circular A-76 that was reissued on May 29, 2003. Work was also temporarily suspended while DoD complied with the requirements in the Fiscal Year 2004 DoD Authorization Act, Section 335, to submit a report to Congress on the effects of the revised Circular A-76.

A similar letter has been provided to the Speaker of the House, President of the Senate and the Chairmen and ranking minority members of the Governmental Affairs, Appropriations and Government Reform Committees.

Sincerely,

  
Zack E. Gaddy  
Director

cc: Honorable Ike Skelton  
Ranking Member