

1 on considered research and analysis, as required by section
2 235, 2330a, or 2463 of title 10, United States Code.

3 (b) DECISIONS TO INSOURCE.—In deciding which
4 functions should be converted to performance by Depart-
5 ment of Defense civilian employees pursuant to section
6 2463 of title 10, United States Code, the Secretary of De-
7 fense shall use the costing methodology outlined in the Di-
8 rective-Type Memorandum 09–007 (Estimating and Com-
9 paring the Full Costs of Civilian and Military Manpower
10 and Contractor Support) or any successor guidance for the
11 determination of costs when costs are the sole basis for
12 the decision. The Secretary of a military department may
13 issue supplemental guidance to assist in such decisions af-
14 fecting functions of that military department.

15 (c) REPORTS.—

16 (1) REPORT TO CONGRESS.—Not later than
17 March 31, 2011, the Secretary of Defense shall sub-
18 mit to the congressional defense committees a report
19 on the decisions with respect to the conversion of
20 functions to performance by Department of Defense
21 civilian employees made during fiscal year 2010.
22 Such report shall identify, for each such decision—

23 (A) the agency or service of the Depart-
24 ment involved in the decision;

1 (B) the basis and rationale for the deci-
2 sion; and

3 (C) the number of contractor employees
4 whose functions were converted to performance
5 by Department of Defense civilian employees.

6 (2) COMPTROLLER GENERAL REVIEW.—Not
7 later than 120 days after the submittal of the report
8 under paragraph (1), the Comptroller General of the
9 United States shall submit to the congressional de-
10 fense committees an assessment of the report.

11 (d) CONSTRUCTION.—Nothing in this section shall be
12 construed—

13 (1) to preclude the Secretary of Defense from
14 establishing, applying, and enforcing goals for the
15 conversion of acquisition functions and other critical
16 functions to performance by Department of Defense
17 civilian employees, where such goals are based on
18 considered research and analysis; or

19 (2) to require the Secretary of Defense to con-
20 duct a cost comparison before making a decision to
21 convert any acquisition function or other critical
22 function to performance by Department of Defense
23 civilian employees, where factors other than cost
24 serve as a basis for the Secretary's decision.