“(E) The number of contractor employees, expressed as full-time equivalents for direct labor, using direct labor hours and associated cost data collected from contractors (except that estimates may be used where such data is not available and cannot reasonably be made available in a timely manner for the purpose of the inventory).”

SEC. 322. REPEAL OF CONDITIONS ON EXPANSION OF
FUNCTIONS PERFORMED UNDER PRIME VENDOR CONTRACTS FOR DEPOT-LEVEL MAINTENANCE AND REPAIR.


SEC. 323. PROHIBITION ON ESTABLISHING GOALS OR QUOTAS FOR CONVERSION OF FUNCTIONS TO PERFORMANCE BY DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) PROHIBITION.—The Secretary of Defense may not establish, apply, or enforce any numerical goal, target, or quota for the conversion of Department of Defense functions to performance by Department of Defense civilian employees, unless such goal, target, or quota is based...
on considered research and analysis, as required by section
235, 2330a, or 2463 of title 10, United States Code.
(b) DECISIONS TO INSOURCE.—In deciding which
functions should be converted to performance by Depart-
ment of Defense civilian employees pursuant to section
2463 of title 10, United States Code, the Secretary of De-
fense shall use the costing methodology outlined in the Di-
rective-Type Memorandum 09–007 (Estimating and Com-
paring the Full Costs of Civilian and Military Manpower
and Contractor Support) or any successor guidance for the
determination of costs when costs are the sole basis for
the decision. The Secretary of a military department may
issue supplemental guidance to assist in such decisions af-
flecting functions of that military department.
(c) REPORTS.—
(1) REPORT TO CONGRESS.—Not later than
March 31, 2011, the Secretary of Defense shall sub-
mit to the congressional defense committees a report
on the decisions with respect to the conversion of
functions to performance by Department of Defense
civilian employees made during fiscal year 2010.
Such report shall identify, for each such decision—
(A) the agency or service of the Depart-
ment involved in the decision;
(B) the basis and rationale for the decision; and

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

(2) COMPTROLLER GENERAL REVIEW.—Not later than 120 days after the submittal of the report under paragraph (1), the Comptroller General of the United States shall submit to the congressional defense committees an assessment of the report.

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

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

(2) to require the Secretary of Defense to conduct a cost comparison before making a decision to convert any acquisition function or other critical function to performance by Department of Defense civilian employees, where factors other than cost serve as a basis for the Secretary’s decision.