April 2, 2020

The Honorable Russell Vought
Acting Director
Office of Management and Budget
Washington, D.C. 20503

Dear Acting Director Vought:

I write to ask that you promptly issue a directive so that government agencies consistently implement Sec. 3610 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provides relief to the contractor community supporting many critical national security missions. Without such overarching directive, I fear that agencies and their contracting officers will take disparate approaches, leading to uncertainty and instability in the contractor industrial base, if not a permanent loss of capability. Agencies are already issuing memoranda on this topic that potentially diverge from one another. In addition, I want to avoid draconian cutbacks that may create significant counterintelligence risks.

Specifically, I request you issue a directive that:

- Fully endorses and supports contractors teleworking or otherwise working remotely, and payment therewith, consistent with mission requirements, law, and Office of Personnel Management memorandum M-18-20, “Managing Federal Contract Performance Issues associated with the Novel Coronavirus (COVID-19)”;

- Applies equally to contractor work conducted at government or contractor facilities or sites, whether they support unclassified or classified work;

- Provides a fair cost reimbursement methodology that allows for reasonable direct and indirect costs and in-progress payments for work normally paid on a lump-sum basis;

- Provides standard contract modification language, preferably made available within 15 days of issuance of OMB guidance, to maintain ready state (on-call) contractor capability, reflects dependencies on subcontractors and suppliers whose performance may be impaired by COVID-19, and adjust contract performance issues, including reductions in scope or schedule changes due to COVID-19;

- Allows expedited consideration of extensions in periods of performance and adjustments in contract ceiling values to minimize unnecessary disruption in contract execution for the duration of the emergency; and
• Applies to contractor work done for all government agencies to the greatest extent practicable to promote consistency for existing and new work.

Thank you for your prompt attention to this matter. If you have any questions, please contact Jon Rosenwasser of the Committee staff at (202) 224-1700.

Sincerely,

Mark R. Warner
Vice Chairman