



**DEPARTMENT OF THE NAVY**  
OFFICE OF THE ASSISTANT SECRETARY  
(RESEARCH, DEVELOPMENT AND ACQUISITION)  
1000 NAVY PENTAGON  
WASHINGTON DC 20350-1000

DEC 22 2011

**MEMORANDUM FOR DISTRIBUTION**

**Subject: Theater Business Clearance/Contract Administration Delegation Update**

The attached Director, Defense Procurement and Acquisition Policy memorandum provides updated Theater Business Clearance (TBC) guidance for Iraq and also updates the dollar thresholds for Afghanistan and Iraq to reflect the change in the micro-purchase threshold.

Contracting Officers are requested to modify existing contracts with performance or delivery in Iraq after December 31, 2011, to address the updated TBC requirements. TBC is required on all categories of DoD contracts being executed or delivered to Iraq, including those with State Department support, Security Assistance Team support and Foreign Military Sales. The Joint Theater Support Contracting Command will continue to manage TBC/Contract Administration Delegation (CAD) requests for Iraq until further notice.

By January 23, 2012, please confirm that applicable contracts have been updated and that your contracting workforce is aware of, and will comply with, the new TBC/CAD requirements.

My point of contact is Molli Thacker at [marlene.thacker@navy.mil](mailto:marlene.thacker@navy.mil) or 703-693-2939.

  
Althea H. Coetzee  
RDML, SC, USN  
Executive Director  
DASN(AP)

Attachment: As Stated

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**Subject: Theater Business Clearance/Contract Administration Delegation Update**

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ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE  
3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

DEC 16 2011

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES TRANSPORTATION  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(ACQUISITION AND PROCUREMENT),  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING)  
DIRECTORS, DEFENSE AGENCIES  
DIRECTORS, DOD FIELD ACTIVITIES

SUBJECT: Theater Business Clearance/Contract Administration Delegation (TBC/CAD) Update

Reference: (a) Theater Business Clearance/Contract Administration Delegation (TBC/CAD)  
Update, October 13, 2010

This memo provides updated TBC guidance for Iraq and also updates the dollar thresholds for Afghanistan and Iraq to reflect the change in the micro-purchase threshold.

Following the conclusion of Operation New Dawn and the associated shutdown of U.S. Forces – Iraq (USF-I), the basis for TBC rules for Iraq will shift from USF-I requirements (policies/fragmentation orders) to U.S. Army Central Command/Department of State requirements (policies and procedures). Updated TBC guidance is being developed and will be posted to the USCENTCOM Operational Contract Support webpage before year end. Go to [http://www.acq.osd.mil/dpap/pacc/cc/areas\\_of\\_responsibility.html](http://www.acq.osd.mil/dpap/pacc/cc/areas_of_responsibility.html) and click on the CENTCOM AOR. Contracting Officers must modify existing contracts with performance or delivery in Iraq after December 31, 2011, to address the updated TBC requirements. TBC is required on all categories of DoD contracts being executed or delivered to Iraq, including those with State Department support, Security Assistance Team support and Foreign Military Sales. The Joint Theater Support Contracting Command will continue to manage TBC/CAD requests for Iraq until further notice.

Contracts subject to TBC are those: (1) valued at >\$30K for Afghanistan and Iraq or valued at >\$1M awarded to non-Host Nation firms for Kuwait or Pakistan that require delivery of supplies to Afghanistan, Iraq, Kuwait, or Pakistan, under FOB Destination terms using commercial transportation outside the Defense Transportation System, (2) service or construction contracts with place of performance in Afghanistan, Iraq, Kuwait, or Pakistan, or (3) that authorize contractor personnel, including subcontractors at all tiers, to carry weapons in Afghanistan, Iraq, Kuwait, or Pakistan, either currently performing or newly awarded, regardless of contract end date.

All other requirements as set forth in reference (a) and incorporated by reference remain in effect. I ask that you forward this memo to your contracting activities immediately and have them report their compliance with the new TBC/CAD requirements for Iraq by January 31, 2012. Please report back to me on your component's completion of this tasking via my POC, Mr. Bill Reich, 571-256-7009, [William.reich@osd.mil](mailto:William.reich@osd.mil). For status updates on new Iraq TBC guidance and questions related to the status of TBC/CAD requests for specific solicitations and contracts, please contact Mr. Harvey VonHollen, C-JTSCC TBC Program Manager, [harvey.m.vonhollen.civ@mail.mil](mailto:harvey.m.vonhollen.civ@mail.mil), 210-221-1190, DSN 471-1190.

  
Richard Ginman  
Director, Defense Procurement  
and Acquisition Policy