

SECRETARY OF DEFENSE 1000 DEFENSE PENTAGON WASHINGTON, DC 20301-1000

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MEMORANDUM FOR SENIOR PENTAGON LEADERSHIP COMMANDERS OF THE COMBATANT COMMANDS DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Continuing Elimination of Wasteful Spending at the DoD

Pursuant to my commitment to strategically rebuild our military, restore accountability to the Department, cut wasteful spending, and implement the President's orders, effective immediately, I direct the termination of the following IT services contracts:

- A Defense Health Agency contract for consulting services from Accenture, Deloitte, Booz Allen, and other firms that can be performed by our civilian workforce;
- An Air Force contract with Accenture to re-sell third party Enterprise Cloud IT Services which we can already fulfill directly with existing procurement resources;
- A Navy contract for business process consulting services for administrative offices;
- A DARPA contract for IT Helpdesk Services that are duplicative with service capabilities of our existing DISA workforce.

These contracts represent non-essential spending on third party consultants to perform services more efficiently performed by the highly skilled members of our DoD workforce using existing resources. To support the continued rationalization of our IT enterprise, I direct the DoD CIO, in coordination with my DOGE team, to prepare a plan within 30 days for how the Department will:

- In-source IT consulting and management services to our civilian workforce;
- Negotiate most favorable rates on software and cloud services, so the DoD pays no more for IT services than any other enterprise in America; and complete an audit by April 18, 2025 of DoD software licensing to ensure we are only paying for the licenses we actually use, the features we actually need, at the most favorable rates.

I also direct the termination of another set of 11 contracts across DoD components for consulting services that support Diversity, Equity and Inclusion (DEI), Climate, Covid-19 response, and non-essential activities.

Collectively, these terminations represent \$5.1 billion in wasteful spending at the Department, and nearly \$4 billion in estimated savings which we can re-allocate to our mission-critical priorities to Revive the Warrior Ethos, Rebuild the Military, and Reestablish Deterrence.



