ARMED SERVICES BOARD OF CONTRACT APPEALS
SKYLINE 6
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31 October 2006

MEMORANDUM FOR: THE SECRETARY OF DEFENSE
THE SECRETARY OF THE ARMY
THE SECRETARY OF THE NAVY
THE SECRETARY OF THE AIR FORCE

SUBJECT: Report of Transactions and Proceedings of the Armed Services Board of Contract Appeals for the Fiscal Year Ending 30 September 2006

This report is furnished under paragraph 9 of the Charter of the Armed Services Board of Contract Appeals, revised 1 July 1979. The statistics reflect the adjudication of appeals of the Army, Navy, Air Force, Corps of Engineers, Defense Logistics Agency, Defense Contract Management Agency, and other defense agencies. Also included are appeals of various agencies which have been adjudicated under inter-agency arrangements.

The following statistics cover the activities of the Board during the reporting period and the current reserve of pending matters:

A.	Appeals docketed during FY 2006	438
B.	Appeals disposed of during FY 2006	530
C.	Number of Appeals Pending 1 October 2001	906
	Number of Appeals Pending 1 October 2002	782
	Number of Appeals Pending 1 October 2003	672
	Number of Appeals Pending 1 October 2004	652
	Number of Appeals Pending 1 October 2005	644
	Number of Appeals Pending 1 October 2006	552
	Net Decrease in Docket, FY 2006	92

D. Source of Appeals Docketed FYs 2002-2006

	FY 02	FY 03	FY 04	FY 05	FY06
Army	83	70	77	76	92
Navy	98	82	69	70	65
Air Force	67	42	49	72	62
Corps of Eng.	96	129	123	99	115
DLA & DCMA	39	44	71	88	55
Other Agencies	25	21	27	21	29
Reinstated	27	41	45	50	20
TOTAL	435	429	461	476	438

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E. Appeals Disposed of During FYs 2002-2006

	FY 02	FY 03	FY 04	FY 05	FY 06
1. Origin of Appeals:					
Army	76	106	92	94	88
Navy	177	127	98	114	91
Air Force	121	78	59	59	72
Corps of Eng.	108	94	145	130	146
DLA & DCMA	39	92	63	62	93
Other Agencies	34	36	23	21	35
Admin. Disposal	4	6	1	4	5
TOTAL	559	539	481	484	530
2. Rule 12 Proceedings	52	26	47	41	33
3. Disposition:					
Sustained	130	117	110	87	86
Denied	75	65	49	63	51
Dismissed	354	357	322	334	393
TOTAL	559	539	481	484	530

F. Status of Appeals Pending 1 October 2006 (includes six Rule 12 appeals)

Complaint Due	65
Answer Due	72
Discovery	161
To Be Set	31
Hearing Set	143
Transcript & Briefs Due	16
Suspense	24
Ready to Write	40
TOTAL	552

Of the Board's 552 active appeals, the Army has 115 (20.8%), the Navy has 104 (18.8%), the Air Force has 68 (12.4%), the Corps of Engineers has 157 (28.4%), DLA and DCMA have 68 (12.4%), and the remaining 40 appeals (7.2%) are from other sources. At the conclusion of FY 2006, 6 of the appeals were being processed under Board Rule 12 (4 expedited and 2 accelerated), 7 were applications under the Equal Access to Justice Act and 7 were motions for reconsideration, 1 of which relates to a court remand.

In FY 2006, the Board disposed of 137 appeals on the merits. Of those dispositions, 63% of the decisions found merit for the contractor. The Board dismissed 393 appeals. In the

majority of cases, a dismissal reflects that the parties have reached a settlement. The U.S. Court of Appeals for the Federal Circuit docketed 26 appeals from Board decisions, and 19 appeals were pending at the end of the year.

During FY 2006, parties requested the Board's ADR services 39 times, covering 61 appeals and 9 undocketed disputes. Of the 39 requests, 3 were for binding ADR covering 5 appeals and 36 requests were for non-binding ADR covering 56 appeals and 9 undocketed disputes. One request for binding and 2 requests for non-binding ADR covering 6 appeals were withdrawn. Seventeen of the requests received during the year were pending at the close of the fiscal year. Of the 21 requests subject to non-binding procedures concluded during the year, not limited to FY 2006 requests, 19 were successfully resolved.

PAUL WILLIAMS
Chairman
Armed Services Board
of Contract Appeals