

GSA's Administration of Performance-Based Contracts Puts the Government at Risk of Unsatisfactory Contractor Performance and Wasted Funds - GSA Office of Inspector General

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Why We Performed This Audit

This audit was included in our [Fiscal Year 2020 Audit Plan](#) upon the recommendation of a Public Buildings Service Assistant Commissioner. Since Fiscal Year 2020, we have identified GSA's contract administration as a significant management and performance challenge. Our audit objectives were to: (1) determine whether GSA administers performance-based service contracts in accordance with regulations, guidance, and internal policies to evaluate contractor performance and ensure conformance with contract requirements; and (2) determine if performance-based contract administration functions vary across GSA and identify best practices, as applicable.

What We Found

GSA contracting personnel are not administering performance-based service contracts in accordance with regulations, guidance, and internal policies. As a result, GSA is at risk of unsatisfactory contractor performance and wasted government funds.

We found that GSA contracting personnel are not always establishing or enforcing quality assurance surveillance plans (QASPs). Consequently, GSA contracting personnel are not ensuring that the government receives the services it is paying for. In addition, we found that GSA contracting personnel are not preparing justified or timely past performance reports, which may lead to future contract awards to underperforming contractors. Finally, while the Federal Acquisition Service has established an internal policy intended to improve contract administration, the policy's effectiveness could not be determined because Federal Acquisition Service contracting personnel were not complying with the policy.

What We Recommend

We recommend that the GSA Administrator, through the Federal Acquisition Service and Public Buildings Service Commissioners, and the Assistant Administrator for the Office of Administrative Services:

1. Revise or issue Agency policy to ensure:
 - a. The appropriate oversight of acquisition planning activities for performance-based service contracts, including the creation of a QASP that complies with applicable regulations; and
 - b. Contracting personnel have clear, descriptive instruction on how to monitor and enforce QASPs during contract administration to ensure compliance and improve acquisition outcomes.
2. Require contracting personnel to complete refresher training on any revised policies and new training on any policies issued in response to this audit report.
3. Ensure Contractor Performance Assessment Reporting System assessments are supported by justification narratives, accurately depict contractor performance, and are timely.
4. Implement management oversight to ensure contracting personnel comply with policies and procedures intended to ensure sufficient government oversight of contractor performance.

GSA agreed with our findings and recommendations. GSA's written comments are included in their entirety in

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Business Line

Other GSA Services

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