

Audit of the Calexico West Land Port of Entry Expansion and Modernization Project - GSA Office of Inspector General

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Why We Performed This Audit

This audit was included in our [Fiscal Year 2021 Audit Plan](#). Since Fiscal Year 2007, the GSA Public Buildings Service's Pacific Rim Region (PBS) has received \$416 million for design, construction, and construction management for the Calexico West Land Port of Entry (LPOE) expansion and modernization project.

Our objective was to determine whether PBS's planning, award, administration, and close out of construction contracts related to the expansion and modernization of the Calexico West LPOE were in accordance with the Federal Acquisition Regulation, the General Services Administration Acquisition Manual, and PBS's pricing policy and facilities standards.

What We Found

PBS did not effectively award and administer contracts for Phase 1 and Phase 2A of the Calexico West LPOE expansion and modernization project. We found multiple deficiencies in PBS's oversight of the contracts for the project that affected project security, compliance with applicable laws and regulations, and safety.

We found that:

1. Security at the Calexico West LPOE project is compromised by inconsistent requirements and inadequate enforcement.
2. PBS did not oversee the acquisition activities performed by the construction manager.
3. PBS contract modifications lack essential documents, including support for price reasonableness determinations and regional business clearance reviews.
4. Oversight of contractor compliance with labor standards requirements is inadequate to ensure PBS responsibilities are met.
5. PBS violated federal acquisition procedures and competition requirements by awarding a soil analysis contract without seeking multiple offers and reviewing qualifications.
6. PBS did not ensure that contractors completed required safety orientation training before working onsite, creating the potential for safety incidents.

What We Recommend

We recommend that the PBS Regional Commissioner for the Pacific Rim Region:

1. Review the contracts and site security procedures for the Calexico West LPOE project and modify contracts and site security procedures that contain inconsistent or contradictory security requirements.
2. Perform an internal review to identify all contractors for the Calexico West LPOE project who did not undergo HSPD-12 processing and submit all identified personnel, including the 41 identified during this audit, for HSPD-12 processing. In addition, review the access rights for the eight contractors with criminal histories identified during this audit and take appropriate corrective action.
3. Verify all contract employees working on the Calexico West LPOE project pass initial HSPD-12 screening, as well as the U.S. Customs and Border Protection Quick Check screening, if applicable, before working on the project.

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4. Ensure that contractors are not performing inherently governmental functions.
5. Implement controls to carefully monitor contractors performing acquisition activities that are closely associated with inherently governmental functions.
6. Develop and implement effective controls to ensure contracting officers have performed all acquisition activities necessary to determine fair and reasonable pricing, establish the contractors' technical abilities, and authorize funding when awarding contract modifications.
7. Require that PBS officials perform an adequate number of labor standards interviews for the Calexico West LPOE project. In addition, review and validate all labor standards interviews with available data, including payroll, to ensure contractors comply with labor standards requirements.
8. Ensure all contractors working at the Calexico West LPOE are paid prevailing wages and their corresponding benefits.
9. Ensure all awards below the simplified acquisition threshold comply with Federal Acquisition Regulation simplified acquisition procedures.
10. Implement controls to ensure all contract employees complete required safety orientation training before accessing the Calexico West LPOE site.

The PBS Regional Commissioner agreed with our recommendations and provided comments for clarification and additional context. These comments did not affect our findings and conclusions. GSA's written comments are included in their entirety in **Appendix B**.

Business Line
Public Buildings Service

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