



Office of Audits  
Office of Inspector General  
U.S. General Services Administration

# Audit of PBS Basic Repairs and Alterations Project: United States Court of International Trade Building

Report Number A200976/P/2/R21004  
June 17, 2021

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## ***Executive Summary***

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### **Audit of PBS Basic Repairs and Alterations Project: United States Court of International Trade Building**

Report Number A200976/P/2/R21004

June 17, 2021

### **Why We Performed This Audit**

We included this audit in our *Fiscal Year 2020 Audit Plan* because of our risk assessment of the operations of GSA's Public Buildings Service (PBS). For Fiscal Year 2020, Congress authorized PBS to spend \$382.1 million for its Basic Repairs and Alterations projects, which are designed to keep federal buildings reliably safe and in good repair. With a deferred maintenance and repair backlog exceeding \$2.53 billion, PBS faces significant challenges in maximizing the use of these funds to address the needs of its aging real property inventory. Accordingly, the proper execution of PBS's selected projects is critical.

We performed an audit of the PBS Northeast and Caribbean Region's (PBS Region 2's) \$1.8 million Basic Repairs and Alterations project to upgrade three passenger elevators at the United States Court of International Trade building in New York, New York.

Our audit objective was to determine whether PBS Region 2 planned, awarded, administered, and closed-out the contract for the identified project in accordance with the Federal Acquisition Regulation, General Services Administration Acquisition Manual, and other applicable policies.

### **What We Found**

PBS Region 2 did not award and administer the contract to upgrade three passenger elevators at the United States Court of International Trade building in accordance with applicable regulations and GSA policies. We found that PBS Region 2 did not obtain a Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member of the Source Selection Evaluation Board as required. We also found that PBS Region 2 allowed a project manager to act as a contracting officer's representative for over a year without the proper written delegation of authority. Additionally, PBS Region 2 did not maintain necessary contract file documentation and inaccurately reported data on the contract in the Federal Procurement Data System-Next Generation.

Although these deficiencies in contract award and administration did not adversely affect the project, they could have caused project delays and potential claims. Accordingly, PBS Region 2 should take appropriate actions to ensure that the project team does not repeat these errors in future procurements.

## What We Recommend

We recommend the PBS Region 2 Regional Commissioner take appropriate corrective action to ensure that:

1. The personnel responsible for the award and administration of the contract to upgrade three passenger elevators at the United States Court of International Trade building in New York, New York, understand their responsibilities with respect to:
  - a. Obtaining a signed, original Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member of the Source Selection Evaluation Board before starting the evaluation of technical proposals;
  - b. Properly designating contracting officer's representatives prior to being assigned contract oversight responsibilities;
  - c. Maintaining complete and accurate contract documentation in accordance with applicable Federal Acquisition Regulation, General Services Administration Acquisition Manual, and GSA policies; and
  - d. Entering accurate and complete contract information in the Federal Procurement Data System-Next Generation.
  
2. The inaccurate base award contract period of performance start date is corrected to June 1, 2018, in the Federal Procurement Data System-Next Generation.

The PBS Region 2 Regional Commissioner agreed with our recommendations. GSA's comments are included in their entirety in **Appendix B**.

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## ***Introduction***

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We performed an audit of GSA's Public Buildings Service Northeast and Caribbean Region's (PBS Region 2's) \$1.8 million Basic Repairs and Alterations project to upgrade three passenger elevators at the United States Court of International Trade building in New York, New York.

### **Purpose**

We included this audit in our *Fiscal Year 2020 Audit Plan* because of our risk assessment of the operations of GSA's PBS. For Fiscal Year 2020, Congress authorized PBS to spend \$382.1 million for its Basic Repairs and Alterations projects, which are designed to keep federal buildings reliably safe and in good repair. With a deferred maintenance and repair backlog exceeding \$2.53 billion, PBS faces significant challenges in maximizing the use of these funds to address the needs of its aging real property inventory. Accordingly, the proper execution of PBS's selected projects is critical.

### **Objective**

Our audit objective was to determine whether PBS Region 2 planned, awarded, administered, and closed-out the contract for the identified project in accordance with the Federal Acquisition Regulation (FAR), General Services Administration Acquisition Manual (GSAM), and other applicable policies.

See **Appendix A** – Scope and Methodology for additional details.

### **Background**

According to GSA's *2020 Agency Financial Report*, the average age of GSA-owned buildings is 49 years old. For Fiscal Year 2020, GSA reported a deferred maintenance and repairs cost of approximately \$2.53 billion for critical repairs and upgrades necessary to maintain its buildings in acceptable condition. As defined by federal accounting standards, deferred maintenance and repairs includes preventative maintenance; replacement of parts, systems, or components; and other activities to preserve or maintain the buildings.

PBS funds these repair needs and all of its real property activities through the Federal Buildings Fund (FBF). The FBF operates as a revolving fund; however, unlike typical revolving funds, it is subject to annual enactment of new obligational authority by Congress. As part of the annual appropriations process, Congress authorizes FBF funding for GSA's Basic Repairs and Alterations Program.

Within PBS, the Basic Repairs and Alterations Program is commonly referred to as the BA54 Program, which is the FBF's budget activity account for the program. PBS uses BA54 to fund the cost of repairs, remodeling, improvements, and associated design and construction services

that exceed \$25,000, but are below the prospectus level.<sup>1</sup> Examples of BA54 projects include repair of roofs, plazas, and parking decks; replacement of or improvement to major building systems and equipment; and exterior window repairs or improvements.

The PBS Region 2 BA54 project we selected for our audit was the upgrade of three passenger elevators at the United States Court of International Trade building in New York, New York (see *Figure 1*). The elevators needed permanent upgrades and repairs to bring them into compliance with current codes; prevent additional equipment deterioration; and provide smooth, rapid, safe, and reliable elevator service for the building tenants.

**Figure 1 – The United States Court of International Trade Building<sup>2</sup>**



To upgrade the three passenger elevators at the United States Court of International Trade building, PBS Region 2 awarded Contract Number 47PC0218C0006 on May 10, 2018, for \$1,752,000 using BA54 funding. The project was completed in January 2020 at a total cost of \$1,806,029. The project's period of performance was June 1, 2018, through January 31, 2020.

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<sup>1</sup> The Fiscal Year 2020 prospectus threshold was \$3.10 million for any work performed on federally owned buildings and \$1.55 million for leased buildings.

<sup>2</sup> Image obtained from the United States Court of International Trade website, <https://www.cit.uscourts.gov/> on March 27, 2021.

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## **Results**

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**Finding – PBS Region 2 did not award and administer the contract to upgrade three passenger elevators at the United States Court of International Trade building in accordance with applicable regulations and GSA policies.**

PBS Region 2 did not award and administer the contract to upgrade three passenger elevators at the United States Court of International Trade building in accordance with applicable regulations and GSA policies. We found that PBS Region 2 did not obtain a Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member of the Source Selection Evaluation Board (SSEB). We also found that PBS Region 2 allowed a project manager to act as a contracting officer's representative (COR) for over a year without the proper written delegation of authority. Additionally, PBS Region 2 did not maintain necessary contract file documentation and inaccurately reported data on the contract in the Federal Procurement Data System-Next Generation (FPDS-NG).

Although these deficiencies in contract award and administration did not adversely affect the project, they could have caused project delays and potential claims. Accordingly, PBS Region 2 should take appropriate actions to ensure that the project team does not repeat these errors in future procurements.

### **The Contracting Officer Did Not Obtain Completed Conflict of Interest Acknowledgment and Nondisclosure Agreement Forms from SSEB Members**

PBS Region 2 did not follow federal regulations when it allowed members of the SSEB to evaluate proposals without first obtaining a signed, original Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member.

The members of the SSEB are responsible for evaluating proposals leading to the award of a contract. The SSEB is composed of voting and non-voting members, as well as legal and procurement advisors, who are responsible for assisting the contracting officer in developing the Source Selection Plan (SSP), which is a guide for conducting the evaluation and analysis of proposals. The SSEB is also responsible for evaluating proposals in accordance with the SSP and solicitation. Accordingly, GSAM 515.305-71, *Actions before releasing proposals*, requires the contracting officer to obtain a signed, original Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member of the SSEB before releasing any proposal.

The Conflict of Interest Acknowledgment and Nondisclosure Agreement form is provided in GSAM 515.305-71. All SSEB conflicts of interest, including financial interest or commitments and employment arrangements (past, present, and under consideration) must be disclosed to the SSEB chairperson, and all Conflict of Interest Acknowledgment and Nondisclosure Agreement forms must be signed and returned to the contracting officer. The signed Conflict of

Interest Acknowledgment and Nondisclosure Agreement form helps ensure the confidentiality of sensitive source selection information pertaining to the procurement.

In addition, the SSP requires that each member of the SSEB complete a Conflict of Interest Acknowledgement and Nondisclosure Agreement form before starting the evaluation of technical submissions.

However, we found that no SSEB members for this contract completed a Conflict of Interest Acknowledgment and Nondisclosure Agreement form. The contracting officer confirmed that the PBS Acquisition Management Division did not obtain the SSEB members' completed and signed Conflict of Interest Acknowledgment and Nondisclosure Agreement forms. The contracting officer stated that the prior elevator modernization project had the same SSEB members, so the contracting officer may have assumed that the SSEB members also completed the forms for this follow-on elevator project.

Notwithstanding the contracting officer's explanation, it is important to obtain the SSEB members' completed and signed Conflict of Interest Acknowledgment and Nondisclosure Agreement forms. These forms are necessary to prevent undocumented impairments that compromise the security of sensitive source selection information and the integrity of the procurement evaluation and award.

#### **PBS Project Manager Performed COR Duties Without Proper Delegation of Authority**

FAR 1.602-2, *Responsibilities*, requires contracting officers to designate and authorize, in writing and in accordance with agency procedures, a COR for all contracts, as appropriate. The designation letter must outline the COR's responsibilities under the contract and the limitations to the COR's authority. In addition, the FAR requires that the COR be certified and have the commensurate training and experience for the responsibilities being delegated.

We found that a PBS project manager performed COR duties on this contract for over a year without being properly delegated the authority to do so. The project manager undertook the COR's responsibilities when the previous COR retired in January 2019. Although the project manager was certified to be a COR, the contracting officer failed to designate and authorize this person as the COR to perform the day-to-day oversight of the project. The project manager stated that there is a shortage of manpower when employees retire, and project managers are often required to fill the COR role when there is insufficient staffing.

The project manager is responsible for ensuring the project progresses and is completed in a timely manner, while the COR has the key responsibility of monitoring and managing contract operation and performance. CORs play a pivotal role in the effective management and oversight of contracts. If the contracting officer does not officially (i.e., in writing) delegate authority to a project manager to act as a COR, then the project manager does not have specific contractual authority to act on behalf of the contracting officer and may be unaware of the responsibilities and limitations associated with that role. As a result, the project manager could



have made contractual obligations for the government, although he did not have the contractual authority to do so.

### **Missing, Inaccurate, and Incomplete Contract Documentation**

Maintaining accurate contract file documentation is essential for administering the contract and ensuring compliance with contract requirements. However, we found that PBS Region 2 did not have the following key contract documents:

- Independent government estimate (IGE)
- Security clearance documentation
- COR delegation letter and certification
- Past performance evaluations
- Conflict of interest/nondisclosure agreements (see above)
- Notice to proceed letter
- Acquisition plan
- Source selection plan

**Independent Government Estimate.** An IGE is an estimate of the expected cost of a contract or task order. Government personnel develop IGEs before soliciting contractor proposals or making contract awards. FAR 36.203, *Government estimate of construction costs*, requires IGEs for all construction contracts and projects exceeding the simplified acquisition threshold.<sup>3</sup> In addition, the PBS Contract/Order File Checklist specifies that the contract file should include an IGE that has been reviewed, signed, and dated by government.<sup>4</sup>

The contract file we examined contained a document labeled as an IGE; however, the estimate was not signed. Therefore, it was unclear who prepared the estimate. Upon inquiry, the contracting officer told us that the project manager who had retired in the middle of the project prepared the IGE; however, the contracting officer could not provide support for this statement.

**Security Clearance Documentation.** FAR 4.803, *Contents of contract files*, specifies that contract files should include, among other things, security requirements and evidence of required clearances. However, PBS Region 2 did not have documentation in the contract file confirming the security clearances for the 14 contractor personnel who worked on the project. After our inquiry, the contracting officer was only able to produce security clearance documents for 4 of those 14 employees.

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<sup>3</sup> The *simplified acquisition threshold* is the dollar amount below which a non-federal entity may purchase property or services using small purchase methods. It is periodically adjusted; as of February 16, 2018, it was \$250,000.

<sup>4</sup> The PBS Contract/Order File Checklist provides the standardized content for PBS contract files.

The contracting officer told us that she only has confirmation for new clearances and that any contractor employee with an existing clearance was transferred over as being active on the contract. There was no documentation in the contract file confirming the security clearance status for any new and existing contractor employees.

The security clearance requirement protects PBS buildings and tenants from theft of government property, exposure of sensitive government data, and the prospect of other such security events, including workplace violence. Accordingly, PBS Region 2 should ensure that contractor personnel have the proper background checks, supported by complete documentary evidence, prior to accessing federal buildings.

Although the contracting officer failed to maintain complete and accurate documentation, we verified that all contractors who worked on the project had valid security investigations through subsequent follow-up with GSA's Office of Mission Assurance. Nonetheless, PBS Region 2 should ensure that contracting officers maintain complete contract documentation on contractor security clearances in accordance with the FAR requirements.

**COR Delegation Letter and Certification.** FAR 1.602-2, *Responsibilities*, requires contracting officers to designate and authorize, in writing and in accordance with agency procedures, a COR for all contracts, as appropriate. The delegation letter is the written notification from the contracting officer to the COR specifying the extent of the COR's authority to act on behalf of the contracting officer. The COR must sign the letter to affirm that the duties delegated have been read and understood, accept the responsibilities outlined in the letter, and confirm that they have met the training requirements.

However, PBS Region 2 did not maintain COR delegation letters and evidence of appropriate certifications in the contract file. We identified two COR delegation letters in the contract file dated June 1, 2018. One of the letters was addressed to the COR who subsequently retired in January 2019. The other letter was addressed to an individual who claims to have never worked on the project. Although these letters were in the contract file, neither were signed to indicate that the COR accepted the responsibilities, and there were no COR training certificates in the file to indicate that the CORs completed the required training. The contracting team could not locate any of these documents.

In addition, contracting officers must provide delegation letters in writing to the contractor, outlining the COR's responsibilities under the contract and the limits of the COR's authority. The contracting officer must provide a copy to the COR and the COR's supervisor, and maintain a copy in the official contract file or a central file referenced in the contract file.<sup>5</sup> We found that the delegation letter issued to the contractor contained incorrect information because it delegated the contract administration duties, responsibilities, and authorities for the day-to-day operations for the project to the individual who said they never worked on the project.

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<sup>5</sup> GSAM 501.604, *Contracting Officer's Representative (COR)*.

**Past Performance Evaluation.** FAR 15.305, *Proposal evaluation*, requires contracting officials to take past performance into account when evaluating an offeror's proposal. However, the past performance evaluation of the contractor was missing from the contract file.

In accordance with the FAR requirement, the solicitation required the offeror to provide, at a minimum, three references for its performance in projects that included the modernization of two or more elevators. In addition, the solicitation stated that references should also complete a past performance questionnaire that was required to be submitted directly to GSA.

The contracting officer told us that the references submitted the past performance questionnaires to the offeror, who then forwarded the questionnaires to GSA. Because the past performance questionnaires were submitted by the contractor, the SSEB initially evaluated past performance as [REDACTED]

Email records show that after further evaluation and discussions with management, the contracting officer obtained four of the offeror's past performance evaluations from the Past Performance Retrieval System. Also, the contracting officer said she spoke with the federal employees who completed each evaluation and provided the results of her research to the SSEB, which changed the offeror's past performance evaluation to [REDACTED]. Because of this change, the SSEB determined that that the offeror's proposal represented the "best value" for the government and awarded the contract to the offeror.

However, the contract file did not contain the performance evaluations that the contracting officer reviewed or any records of discussion with the federal employees who prepared these evaluations. As a result, PBS Region 2 did not meet the requirements of FAR 4.801, *Government Contract Files – General*, which provides that the contract file should contain contract documentation sufficient to support the decisions taken throughout the acquisition process.

**Notice to Proceed Letter.** A notice to proceed is a letter issued by the contracting officer to a contractor stating the date the contractor can begin onsite work under the subject contract. The letter states when performance will begin and end. In addition, the letter is signed by the contracting officer and includes the primary contacts such as the project manager, COR, and contract specialist. Further, the contractor acknowledges receipt of the notice to proceed by signing and dating a copy of the acknowledgment and returning it to the contracting officer.

We were unable to locate the signed notice to proceed letter in the contract file. PBS provided a copy after we inquired about it. However, the letter listed the wrong COR and as a result, provided incorrect information to the contractor about who would perform the COR's responsibilities.

**Acquisition Plan.** FAR 4.803, *Contents of contract files*, specifies that contract files should include acquisition planning information. The acquisition plan addresses such areas as the acquisition objective, potential sources of supply and services, competition, and milestones. PBS must complete the acquisition plan by the end of the project's planning phase.

However, the approved acquisition plan was not in the contract file. We only found a draft acquisition plan dated January 12, 2017, in the contract file. PBS provided the final acquisition plan with an approval date of February 3, 2017, after we inquired.

**Source Selection Plan.** According to the *GSA PBS Interim Source Selection and Other Procurement Evaluation Methods Guide*, the SSP is another critical acquisition planning document. The SSP describes how the acquisition team will evaluate proposals and select the winning offeror based on the goals described in the approved acquisition plan. Accordingly, the guide requires that the source selection authority or contracting officer must approve the SSP before issuing the final solicitation.

However, the approved SSP was not in the contract file. We only found an unsigned and undated SSP in the file. PBS could not locate the signed SSP.

### **Inaccurate Contract Award Information in FPDS-NG**

PBS Region 2 reported inaccurate contract award information in FPDS-NG, a government-wide system used for collecting and reporting data on federal contracting actions. The federal government uses the reported data to measure and assess the impact of federal procurement on the nation's economy. It is also used as a basis for recurring and special reports to the President, Congress, and the public. In addition to creating special reports for decision makers, the data entered into FPDS-NG is also used to populate the USAspending.gov website in accordance with the Federal Funding Accountability and Transparency Act.

According to FAR 4.6, *Contract Reporting*, the contracting officer who awarded the contract action is responsible for the completeness and accuracy of the data reported to FPDS-NG. However, we found that the base award contract period of performance start date of June 1, 2018, was misreported in FPDS-NG as May 15, 2018. The contracting officer confirmed that the contract period of performance was June 1, 2018, through January 31, 2020.

In sum, although PBS Region 2 successfully completed the upgrade of three passenger elevators at the United States Court of International Trade building, we identified deficiencies in contract award and administration that compromised the security of sensitive source selection information and the integrity of the procurement evaluation and award. These deficiencies also increased the risk of unnecessary delays and disputes. Further, PBS Region 2's poor contract oversight resulted in a project manager fulfilling the COR's role without written delegation, deficiencies in contract file management, and inaccurate reporting in FPDS-NG. Accordingly, PBS Region 2 should ensure that the personnel responsible for the contract understand their roles and responsibilities for proper contract award and administration.

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## Conclusion

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PBS Region 2 did not award and administer the contract to upgrade three passenger elevators at the United States Court of International Trade building in accordance with applicable regulations and GSA policies. We found that PBS Region 2 did not obtain a Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member of the SSEB as required. We also found that PBS Region 2 allowed a project manager to act as a COR for over a year without the proper written delegation of authority. Additionally, PBS Region 2 did not maintain necessary contract file documentation and inaccurately reported data on the contract in FPDS-NG.

Although these deficiencies in contract award and administration did not adversely affect the project, they could have caused project delays and potential claims. Accordingly, PBS Region 2 should take appropriate actions to ensure that the project team does not repeat these errors in future procurements.

## Recommendations

We recommend the PBS Region 2 Regional Commissioner take appropriate corrective action to ensure that:

1. The personnel responsible for the award and administration of the contract to upgrade three passenger elevators at the United States Court of International Trade building in New York, New York, understand their responsibilities with respect to:
  - a. Obtaining a signed, original Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member of the SSEB before starting the evaluation of technical proposals;
  - b. Properly designating CORs prior to being assigned contract oversight responsibilities;
  - c. Maintaining complete and accurate contract documentation in accordance with applicable FAR, GSAM, and GSA policies; and
  - d. Entering accurate and complete contract information in FPDS-NG.
2. The inaccurate base award contract period of performance start date is corrected to June 1, 2018, in FPDS-NG.

## GSA Comments

The PBS Region 2 Regional Commissioner agreed with our recommendations. GSA's comments are included in their entirety in **Appendix B**.

## **Audit Team**

This audit was managed out of the Northeast and Caribbean Region Audit Office and conducted by the individuals listed below:

Arthur Maisano	Regional Inspector General for Auditing
Yajaira Torres	Audit Manager
Marcia Raghubar	Auditor-In-Charge

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## Appendix A – Scope and Methodology

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Our audit scope consisted of one contract, judgmentally selected based on defined parameters (detailed below). The sample pool consisted of all 376 PBS Region 2 BA54-funded contracts awarded and closed between Fiscal Years 2016 and 2019. Our selected contract was awarded as a full and open competitive proposal for the elevator modernization project at the United States Court of International Trade building in New York, New York.

To accomplish our objective, we:

- Reviewed the FAR; GSAM; U.S. Government Accountability Office’s GAO-14-704G, *Standards for Internal Control in Federal Government*; Agency orders, to include PBS Procurement Instructional Bulletins: (1) PIB 16-02, *Use of Electronic Acquisition System integration (EASi) for PBS Issued Contracts*, (2) PIB 17-05, *Contract File Content Checklist*, and (3) PIB 18-02, *PBS Contract File Content and Organization*; PBS Project Management Practice Guide; and Homeland Security Presidential Directive-12, *Policy for a Common Identification Standard for Federal Employees and Contractors*, to gain an understanding of PBS’s responsibilities in following the regulatory criteria;
- Researched the BA54 Program using GSA’s internal website and prior GSA Office of Inspector General audit reports;
- Met with the capital program manager from PBS Region 2 Portfolio Management Division and a program specialist from GSA’s National Capital Region Assessment and Allocation Division for a walk-through of the regional and national BA54 Program to gain an understanding of acquisition and contract administration processes;
- Obtained a listing of all BA54 projects and selected a judgmental sample of one contract using the following parameters: above the simplified acquisition threshold of \$1 million, containing contract modifications, and excluding delivery/task orders and any special project considerations;
- Independently obtained source documentation for our sample, to the extent practicable, from the GSA EASi contract file;
- Reviewed all contract file preaward, award, and closeout documentation for accuracy and completeness;
- Performed a comparative proposal analysis on the three offerors for this procurement to validate compliance with the selection process, reconciled contract invoices with receiving and inspection reports, and analyzed payroll records to verify contractor employees;
- Interviewed the contracting team responsible for the selected contract and corresponded with the contracting officer and supervisory contract specialist throughout the audit duration;
- Communicated with the project manager and facilities manager about their roles in the contracting process; and

- Interviewed the supervisory program manager and the deputy director of Office of Mission Assurance on the security clearance process and worked with them regarding security clearance confirmations.

We conducted the audit between April 2020 and March 2021 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

### Internal Controls

We assessed internal controls significant within the context of our audit objective against GAO-14-704G, *Standards for Internal Control in the Federal Government*. Our assessment is not intended to provide assurance on GSA’s internal control structure as a whole. GSA management is responsible for establishing and maintaining internal controls.

In planning and performing our audit, we identified the following internal control components and underlying internal control principles as significant to the audit objective:

Internal Control Components	Internal Control Principles
Control Activities	Management should design control activities to achieve objectives and respond to risks.
	Management should implement control activities through policies.
Information and Communication	Management should use quality information to achieve the entity’s objectives.
	Management should internally communicate the necessary quality information to achieve the entity’s objectives.
	Management should externally communicate the necessary quality information to achieve the entity’s objectives.

We assessed the design, implementation, and operating effectiveness of these internal controls. The methodology above describes the scope of our assessment and the report findings include any internal control deficiencies we identified. Because our audit was limited to these internal control components and underlying principles, it may not have disclosed all existing internal control deficiencies.



## Appendix B – GSA Comments

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Northeast and Caribbean Region

June 4, 2021

MEMORANDUM FOR ARTHUR F. MAISANO  
REGIONAL INSPECTOR GENERAL FOR AUDITING  
NORTHEAST AND CARIBBEAN REGION AUDIT OFFICE  
(JA-2)

THRU: ALLISON H. AZEVEDO *Allison Azevedo*  
ACTING COMMISSIONER  
PUBLIC BUILDINGS SERVICE (P)

FROM: MICHAEL GELBER *Michael Gelber*  
REGIONAL COMMISSIONER  
PUBLIC BUILDINGS SERVICE (2P)

SUBJECT: Response to the Office of Inspector General's Draft Audit  
Report entitled *Audit of PBS Basic Repairs and Alterations  
Project: United States Court of International Trade Building  
(A200976-2)*

Thank you for the opportunity to review and comment on the subject audit report. We agree with the finding and recommendations as described below.

**Finding** – PBS Region 2 did not award and administer the contract to upgrade three passenger elevators at the United States Court of International Trade building in accordance with applicable regulations and GSA policies.

**Recommendation 1:** OIG recommends the PBS Region 2 Regional Commissioner take appropriate corrective action to ensure that the personnel responsible for the award and administration of the contract to upgrade three passenger elevators at the United States Court of International Trade building in New York, New York, understand their responsibilities with respect to:

- a. Obtaining a signed, original Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member of the Source Selection Evaluation Board before starting the evaluation of technical proposals;
- b. Properly designating contracting officer's representatives prior to being assigned contract oversight responsibilities;

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- c. Maintaining complete and accurate contract documentation in accordance with applicable Federal Acquisition Regulation, General Services Administration Acquisition Manual, and GSA policies; and
  - d. Entering accurate and complete contract information in the Federal Procurement Data System-Next Generation.
- PBS agrees with Recommendation 1 and will establish and implement internal controls to ensure that personnel responsible for the award and administration of contracts understand their responsibilities with respect to items (a) through (d) listed above.

**Recommendation 2:** OIG recommends the PBS Region 2 Regional Commissioner take appropriate corrective action to ensure that the inaccurate base award contract period of performance start date is corrected to June 1, 2018, in the Federal Procurement Data System-Next Generation (FPDS-NG).

- PBS agrees with Recommendation 2. The FPDS report has been corrected and is attached.

If you have any questions, please contact David McDonald, Director, Acquisition Management Division at (212) 264-4247.

Attachment (1):  
Corrected FPDS Report

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## ***Appendix C – Report Distribution***

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Acting GSA Administrator (A)

GSA Deputy Administrator (AD)

Acting Commissioner (P)

Chief Financial Officer (B)

Office of Audit Management and Accountability (BA)

Assistant Inspector General for Auditing (JA)

Director, Audit Planning, Policy, and Operations Staff (JAO)