



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

IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN

FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts

Report Number A230065/Q/3/P24001 September 16, 2024

Assignment Number A260034
July 20, 2026

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Introduction

We have completed an implementation review of the management actions taken in response to the recommendations contained in our September 16, 2024, audit report, *FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts*, Report Number A230065/Q/3/P24001.

Objective

The objective of our review was to determine whether the Federal Acquisition Service's (FAS's) Office of Assisted Acquisition Services (AAS) has taken the actions as outlined in the Corrective Action Plan for *FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts* (see **Appendix A**). To accomplish our objective, we:

- Reviewed the original audit report to understand the recommendations and provide context for the Corrective Action Plan;
- Corresponded with personnel from AAS;
- Examined documentation submitted by AAS personnel for addressing the Corrective Action Plan steps; and
- Reviewed data and contract documents from the Assisted Services Shared Information System (ASSIST) to determine compliance with the Corrective Action Plan steps.

Background

AAS provides its customer agencies with customized acquisition, project management, and financial management services for large or complex information technology and professional services solutions.

As the AAS portfolio has grown, the AAS Program Management Office has implemented portfolio reviews for large, highly complex, and sensitive contracts to reduce AAS's risks. AAS defines contracts as large, highly complex, or sensitive based on their monetary value and various other factors, including contract security classification level. Once an acquisition is defined as large, highly complex, or sensitive, it is subject to a portfolio review. The goal of these portfolio reviews is to provide the additional oversight necessary for AAS to manage the increased risks of large, highly complex, and sensitive acquisitions.

AAS personnel indicate a contract's security classification level in ASSIST. AAS management uses the ASSIST contract security classification level to identify and monitor contracts with classified elements. *Figure 1* on the next page defines AAS's four current contract security classification levels.¹

¹ AAS Operational Notice 2025-001, *Governance of Contracts with AAS Security Classifications and Mandatory ASSIST Tracking*, effective August 11, 2025.

Figure 1. Definitions of AAS's Contract Security Classification Levels

Level	Type	Definition
Level 1	Unclassified Acquisition	Access to secure facilities, classified information, and/or classified systems is not required by the contract.
Level 2	Unclassified Acquisition	Secure facility access is required. Access to classified information and/or classified systems is not required by the contract. No documents or deliverables are classified.
Level 3	Classified Elements for Performance	Access to some classified information, facilities, or reading rooms may be required during pre-award. While pre-award contract documentation is unclassified, some post-award contract documents and/or deliverables may be classified. Some or all contractor personnel must hold appropriate security clearances to access classified information, secure facilities, and systems necessary for contract performance.
Level 4	Classified Acquisition	Access to secure facilities, classified information, and/or classified systems is required by the contract. All documents and deliverables are classified. Additionally, some or all contractor personnel supporting this contract must hold appropriate security clearances, as access to classified information and/or classified systems will be required to perform under the contract.

On September 16, 2024, we issued an audit report, *FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts*, to the Acting FAS Commissioner. The objectives of the audit were to determine if: (1) AAS contracts are accurately classified, (2) sufficient controls are in place to monitor and ensure compliance with AAS policy for contract security classification levels, and (3) AAS contracting personnel possess adequate security clearances to effectively award and administer contracts with classified elements.

Our audit found that:

- AAS Level 2 contracts were not accurately classified; and
- AAS policy did not require AAS Level 3 contracting officers to have adequate security clearances.

To address the findings identified in our report, we recommended that the Acting FAS Commissioner, through AAS:

1. Conduct a review of all active AAS Level 2 contracts to ensure that all contract security classifications adhere to AAS's current policy and definitions.
2. Consolidate and improve contract security classification guidance to provide more detail and clarity for AAS contracting personnel.
3. Update existing controls to monitor and ensure compliance with contract security classifications by:

- a. Including a review of the security classification level in contract file transfer checklists;
 - b. Verifying compliance with AAS security classification policies during existing internal contract reviews; and
 - c. Updating briefing templates to use consistent terminology.
4. Implement ASSIST controls to ensure accuracy and integrity of contract security classifications by:
 - a. Prioritizing the development of edit history for immediate visibility of changes to the contract security classification level; and
 - b. Limiting the ability to edit contract data to only the assigned acquisition personnel and their supervisory chain.
5. Strengthen AAS policy to require AAS Level 3 contracting officers to have adequate security clearances and establish a plan to initiate the security clearance process for affected contracting officers.
6. Provide AAS contracting personnel with training on any updated policies or guidance implemented in response to the audit findings.

The Acting FAS Commissioner agreed with our report recommendations.

Results

Our implementation review determined that AAS did not fully implement the following corrective actions for:

Recommendation 1: Conduct a review of all active AAS Level 2 contracts to ensure that all contract security classifications adhere to AAS's current policy and definitions.

- Action Step 001: Business Unit Review of Level 2 Contracts
- Action Step 002: Operational Support Office Acquisition & Governance (OSO A&G) to lead an Enterprise-wide review and validation exercise of all Level 2 contracts for compliance with current AAS policy and definitions

Recommendation 3b: Update existing controls to monitor and ensure compliance with contract security classifications by verifying compliance with AAS security classification policies during existing internal contract reviews.

- Action Step 002: OSO A&G implements updated Internal Contract Review Checklist during the second Fiscal Year 2025 Bi-Annual Review

Finding – AAS's review of active AAS Level 2 contracts was ineffective in ensuring that all contract security classifications adhere to AAS's current policy and definitions.

During our original audit, we found that AAS Level 2 contracts were not accurately classified. As a result, some contracts were not subject to the portfolio reviews implemented by AAS to reduce its risk. Although AAS updated contract security classification level definitions in 2023, the new standards had not been implemented effectively.

Based on our original finding, we recommended the Acting FAS Commissioner conduct a review of all active AAS Level 2 contracts to ensure that all contract security classifications adhere to AAS's current policy and definitions. In addition, we recommended that the Acting FAS Commissioner update existing controls to monitor and ensure compliance with contract security classifications by verifying compliance with AAS security classification policies during existing internal contract reviews.

In response, the Corrective Action Plan provided that AAS Business Units would review all AAS Level 2 contracts against current policy and definitions and reclassify in ASSIST if applicable. Following completion of the Business Unit review of all AAS Level 2 contracts, AAS's OSO A&G would lead an Enterprise-wide review and validation exercise of all Level 2 contracts for compliance with current AAS policy and definitions.² In addition, AAS's OSO A&G would implement an updated Internal Contract Review Checklist during the second Fiscal Year 2025

² See **Appendix A**, Recommendation 1 – Action Steps 001 and 002.

Bi-Annual Review by conducting full file reviews, including questions addressing compliance with the security classification policies.³

As evidence of completion, AAS provided Business Unit and OSO A&G tracking sheets documenting the review and validation of all AAS Level 2 contracts along with a Level 2 Corrective Action Summary Report. In total, the Business Units and OSO A&G reviewed 479 AAS Level 2 contracts and reclassified 321 (67 percent) as Level 3 contracts. In addition, AAS provided the results of its security classification progress report from its Fiscal Year 2025 Bi-Annual Full File review, in which 80 contracts were reviewed and only 3 were found to be misclassified.

We sampled 10 AAS Level 2 contracts that were active in March 2026 to determine the effectiveness of AAS's reclassification efforts. We found 4 of 10 (40 percent) were not accurately classified in accordance with AAS's current contract security classification level definitions. AAS agreed that each of the four contracts should have been classified at Level 3 and has made the appropriate updates in ASSIST. An OSO A&G Sector Director explained that staffing shortages and personnel turnover during the implementation of updated guidance resulted in delays with updating ASSIST to reflect proper security classification levels.

AAS should conduct a review of all active AAS Level 2 contracts to ensure that all contract security classifications adhere to AAS's current policy and definitions. In addition, AAS should strengthen its existing controls to ensure compliance with contract security classifications by verifying compliance with AAS security classification policies during existing internal contract reviews.

³ See **Appendix A**, Recommendation 3b – Action Step 002.

Conclusion

Our implementation review determined that AAS did not fully implement the corrective actions for two recommendations.

We provided a draft version of this report to the AAS Assistant Commissioner, and they agreed with the finding. A revised Corrective Action Plan addressing the corrective actions associated with these open recommendations must be submitted by August 19, 2026, to this office and the Audit Management Division (BPA).

Appendix A – Corrective Action Plan for Report Number A230065/Q/3/P24001

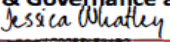
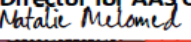
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Assisted Acquisition Service (AAS) QF Corrective Action Plan

Designated Responding Officials: Jessica Whatley, Sector Director for AAS Operational Support Office (OSO)

Acquisition & Governance and Natalie Melomed, Division Director for AAS OSO Acquisition & Governance

Signature  **Date** 11/6/2024 **Signature**  **Date** 11/6/2024

Contact Person: Jess Aston - QF2CA

Telephone Number: 703-407-2397

Date: 10/15/2024

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts

Recommendation 001: OIG recommends that the FAS Commissioner conduct a review of all active AAS Level 2 contracts to ensure that all contract security classifications adhere to AAS's current policy and definitions.

Proposed Recommendation Completion Date: 06/2025

Finding(s): Only one per page. Findings are for GSA internal use only.

Finding 1 – AAS Level 2 contracts are not accurately classified, and as a result, some contracts are not subject to AAS portfolio reviews.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

Security classification levels on some AAS contracts were not accurately determined in accordance with AAS policies and procedures, which resulted in the misidentification of Level 3 contracts as Level 2 contracts. Accordingly, these contracts were not subject to the higher level reviews and risk mitigation procedures applicable to Level 3 contracts.

Recommendation: Only one per page

001: OIG recommends that the FAS Commissioner conduct a review of all active AAS Level 2 contracts to ensure that all contract security classifications adhere to AAS's current policy and definitions.

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

<u>Action to be Taken Step by Step</u> Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	<u>Supporting Documentation to be sent to the OCFO BA or BG office</u> Enter the type of documentation that will be sent to confirm completion of each step.	<u>Documentation will be sent Last Duty Day of the month</u> Enter the last duty day of the month in which the step will be completed. (Month/day/year)
001 Business Unit (BU) Review of Level 2 Contracts - OSO A&G will send (1) an Enterprise-level report of all Level 2 contracts from ASSIST to Business Units and (2) a Level 2 tracking sheet to document reviews and any changes in Classification Levels. BUs will review all Level 2 contracts against current policy and definitions and reclassify in ASSIST (if applicable). BUs shall update the tracking sheet to document review of all Level 2 contracts and any changes in classification levels.	001: BU Level 2 Tracking Sheet which shows review and validation by BU	Due Date: 01/31/2025
002 - OSO Acquisition & Governance (A&G) to lead an Enterprise-wide review and validation exercise of all Level 2 contracts for compliance with current AAS policy and definitions	002: OSO A&G Validation Tracking Sheet - this tracking sheet will document OSO's validation of all Level 2 contracts post BU review, including any recommended changes to classification levels and	Due Date: 04/30/2025

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

OSO A&G Validation of Level 2 Contracts - Following completion of BU Review of Level 2 contracts exercise, OSO A&G will review all BU tracking sheets and conduct an in-depth validation of all Level 2 contracts for compliance with current AAS policy and definitions. OSO A&G will document all findings and any recommendations for changes to classification levels. OSO A&G will validate that classification levels are accurately reported in ASSIST. In the event of a disagreement between OSO A&G and the BUs on the appropriate classification level, the HCA will make the final determination.	documented review of flags in ASSIST	
003 - Level 2 Corrective Action Summary Report - OSO A&G will provide a written report of all findings from the Level 2 review and validation exercise and steps taken to mitigate risk by ensuring compliance with current policy and definitions and accurate reporting of classification levels in ASSIST.	003: Level 2 Corrective Action Summary Report	Due Date: 06/30/2025

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

Designated Responding Officials: Jessica Whatley, Sector Director for AAS OSO Acquisition & Governance and

Natalie Melomed, Division Director for AAS OSO Acquisition & Governance

Signature  Date 11/6/2024 Signature  Date 11/6/2024

Contact Person: Jess Aston - QF2CA

Telephone Number: 703-407-2397

Date: 10/15/2024

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	Recommendation 002: OIG recommends that the FAS Commissioner consolidate and improve contract security classification guidance to provide more detail and clarity for AAS contracting personnel.	Proposed Recommendation Completion Date: 08/2025
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Finding(s): Only one per page. Findings are for GSA internal use only.

Finding 1 – AAS Level 2 contracts are not accurately classified, and as a result, some contracts are not subject to AAS portfolio reviews.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

Security classification levels on some AAS contracts were not accurately determined in accordance with AAS policies and procedures, which resulted in the misidentification of Level 3 contracts as Level 2 contracts. Accordingly, these contracts were not subject to the higher level reviews and risk mitigation procedures applicable to Level 3 contracts.

Recommendation: Only one per page

002: OIG recommends that the FAS Commissioner consolidate and improve contract security classification guidance to provide more detail and clarity for AAS contracting personnel.

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

<u>Action to be Taken Step by Step</u> Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	<u>Supporting Documentation to be sent to the OCFO BA or BG office</u> Enter the type of documentation that will be sent to confirm completion of each step.	<u>Documentation will be sent Last Duty Day of the month</u> Enter the last duty day of the month in which the step will be completed. <u>(Month/day/year)</u>
001 - Establish new stand-alone Operational Notice for Contracts with Heightened Security Classifications - OSO A&G will write a new Operational Notice (ON) to consolidate existing ONs, definitions, and other policies/guidance under one overarching policy. OSO A&G will review existing policy for gaps and provide updated detailed, comprehensive instruction/policy where necessary for additional clarity and effectiveness.	001: New consolidated ON for Contracts with Heightened Security Classifications	Date: 08/29/2025
002 - Update and/or Cancel Existing ONs and guidance related to Contracts with Heightened Security Classifications - OSO A&G will update and/or cancel existing policies and guidance as	002: List of relevant policies and guidance that have been updated, canceled, or incorporated into new consolidated ON for Contracts with Heightened Security Classifications	002 Due Date: 08/29/2025

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

appropriate to streamline and consolidate policies/guidance under the new ON for Contracts with Heightened Security Classifications		
003 - Develop a Page on the AAS Intranet under Acquisition Policy and Templates / Acquisition Administration Resources for Clearances and Classified Contracts (final webpage title TBD)- During the process of writing and establishing the new consolidated ON, this page will provide AAS contracting personnel with easy access to all current definitions and policies related to contracts with heightened security classifications. It will continue to be updated with new policies and guidance related to both contracts with heightened security classifications and processes and Points of Contact for obtaining security clearances.	003: Link to AAS Intranet Webpage for Clearances and Classified Contracts	003 Due Date: 01/31/2025

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

004 - Provide Communication to Acquisition Workforce - Communication will be provided to the Acquisition workforce announcing all changes to security classification policies and resources available. (See Recommendation 006, Action Item 001 - CAP page 23 - <i>Communication Plan</i>)	004: Emails and artifacts documenting communication from OSO A&G to Acquisition Workforce IAW Communication Plan	Due Date: 08/29/2025
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Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

Designated Responding Officials: Jessica Whatley, Sector Director for AAS OSO Acquisition & Governance and

Natalie Melomed, Division Director for AAS OSO Acquisition & Governance

Signature  Date 11/20/2024 Signature  Date 11/20/2024

Contact Person: Jess Aston - QF2CA

Telephone Number: 703-407-2397

Date: 10/15/2024

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	Recommendation 003A: OIG recommends that the FAS Commissioner update existing controls to monitor and ensure compliance with contract security classifications by including a review of the security classification level in contract file transfer checklists.	Proposed Recommendation Completion Date: Completed
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Finding(s): Only one per page. Findings are for GSA internal use only.

Finding 1 – AAS Level 2 contracts are not accurately classified, and as a result, some contracts are not subject to AAS portfolio reviews.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

Security classification levels on some AAS contracts were not accurately determined in accordance with AAS policies and procedures, which resulted in the misidentification of Level 3 contracts as Level 2 contracts. Accordingly, these contracts were not subject to the higher level reviews and risk mitigation procedures applicable to Level 3 contracts.

Recommendation: Only one per page

003A: OIG recommends that the FAS Commissioner update existing controls to monitor and ensure compliance with contract security classifications by including a review of the security classification level in contract file transfer checklists.

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

Action to be Taken Step by Step Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	Supporting Documentation to be sent to the OCFO BA or BG office Enter the type of documentation that will be sent to confirm completion of each step.	Documentation will be sent Last Duty Day of the month Enter the last duty day of the month in which the step will be completed. (Month/day/year)
001 - Update Contract/Order File Transfer Sheet/Checklist to include a review of security classification level - In February 2024, OSO A&G updated the AAS Contract/Order File Transfer Sheet/Checklist to include "Review Security Level Classification Flag in ASSIST" under <i>Transferring CO Transfer Action Items</i> .	001: AAS Contract/Order File Transfer Sheet/Checklist	001 Due Date: Completed

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

Designated Responding Officials: Jessica Whatley, Sector Director for AAS OSO Acquisition & Governance and

Natalie Melomed, Division Director for AAS OSO Acquisition & Governance

Signature  Date 11/6/2024 Signature  Date 11/6/2024

Contact Person: Jess Aston - QF2CA

Telephone Number: 703-407-2397

Date: 10/15/2024

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	Recommendation 003B: OIG recommends that the FAS Commissioner update existing controls to monitor and ensure compliance with contract security classifications by verifying compliance with AAS security classification policies during existing internal contract reviews.	Proposed Recommendation Completion Date: 08/2025*
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Finding(s): Only one per page. Findings are for GSA internal use only.

Finding 1 – AAS Level 2 contracts are not accurately classified, and as a result, some contracts are not subject to AAS portfolio reviews.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

Security classification levels on some AAS contracts were not accurately determined in accordance with AAS policies and procedures, which resulted in the misidentification of Level 3 contracts as Level 2 contracts. Accordingly, these contracts were not subject to the higher level reviews and risk mitigation procedures applicable to Level 3 contracts.

Recommendation: Only one per page

003B: OIG recommends that the FAS Commissioner update existing controls to monitor and ensure compliance with contract

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

security classifications by verifying compliance with AAS security classification policies during existing internal contract reviews.

<u>Action to be Taken Step by Step</u> Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	<u>Supporting Documentation to be sent to the OCFO BA or BG office</u> Enter the type of documentation that will be sent to confirm completion of each step.	<u>Documentation will be sent Last Duty Day of the month</u> Enter the last duty day of the month in which the step will be completed. (Month/day/year)
001 - Update OSO A&G Internal Contract Review Full File Checklist to include review of security classification levels for compliance with current AAS policy and definitions - OSO A&G will include specific question(s) addressing compliance with security classification policies.	001: Updated OSO A&G Internal Contract Review Full File Checklist	Due Date: 04/30/2025
002 - OSO A&G implements updated Internal Contract Review Checklist during the second FY 25 Bi-Annual Review - OSO A&G will conduct Full File reviews including question(s) addressing compliance with the security classification policies. The second FY 25 Bi-Annual Review is estimated to begin	002: List of contract files reviewed during the second FY 25 Bi-Annual Review and report of progress against the new security classification level question(s) based on draft checklist scores. 002: Provide results from second FY 25 Bi-Annual Review to relevant COs and	Due Date: 8/29/2025 Due Date: 8/29/2025

Version Date: 3/01/2023

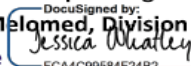
Assisted Acquisition Service (AAS) QF Corrective Action Plan

March 2025.	AAS BU leaders.	
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Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

Designated Responding Officials: Jessica Whatley, Sector Director for AAS OSO Acquisition & Governance and

Natalie Melomed, Division Director for AAS OSO Acquisition & Governance
 Signature  Date 11/6/2024
 Signature  Date 11/6/2024

Contact Person: Jess Aston - QF2CA

Telephone Number: 703-407-2397

Date: 10/15/2024

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	Recommendation 003C: OIG recommends that the FAS Commissioner update existing controls to monitor and ensure compliance with contract security classifications by updating briefing templates to use consistent terminology.	Proposed Recommendation Completion Date: 03/2025
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Finding(s): Only one per page. Findings are for GSA internal use only.

Finding 1 – AAS Level 2 contracts are not accurately classified, and as a result, some contracts are not subject to AAS portfolio reviews.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

Security classification levels on some AAS contracts were not accurately determined in accordance with AAS policies and procedures, which resulted in the misidentification of Level 3 contracts as Level 2 contracts. Accordingly, these contracts were not subject to the higher level reviews and risk mitigation procedures applicable to Level 3 contracts.

Recommendation: Only one per page

003C: OIG recommends that the FAS Commissioner update existing controls to monitor and ensure compliance with contract

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

security classifications by updating briefing templates to use consistent terminology.

<u>Action to be Taken Step by Step</u> Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	<u>Supporting Documentation to be sent to the OCFO BA or BG office</u> Enter the type of documentation that will be sent to confirm completion of each step.	<u>Documentation will be sent Last Duty Day of the month</u> Enter the last duty day of the month in which the step will be completed. (Month/day/year)
001 - Update AAS Pre-Capture Briefing Template - OSO A&G will update the referenced briefing to include consistent terminology regarding security classification levels in accordance with current AAS definitions and policy. OSO A&G will ensure the updated Template is properly linked to AAS ON ON-2023 006 Amendment 01 Large, Highly Complex and Sensitive Acquisition Portfolio Reviews.	001: Updated AAS Pre-Capture Briefing Template	Due Date: 03/31/2025
002 - Update AAS Pre-Solicitation Briefing Template - OSO A&G will update the referenced briefing to include consistent terminology regarding security classification levels in accordance with current AAS definitions and policy. OSO	002: Updated AAS Pre-Solicitation Briefing Template	Due Date: 03/31/2025

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

A&G will ensure the updated Template is properly linked to AAS ON ON-2023 006 Amendment 01 Large, Highly Complex and Sensitive Acquisition Portfolio Reviews.		
003 - Update AAS Pre-Award Briefing Template - OSO A&G will update the referenced briefing to include consistent terminology regarding security classification levels in accordance with current AAS definitions and policy. OSO A&G will ensure the updated Template is properly linked to AAS ON ON-2023 006 Amendment 01 Large, Highly Complex and Sensitive Acquisition Portfolio Reviews.	003: Updated AAS Pre-Award Briefing Template	Due Date: 03/31/2025
004 - Provide Communication to Acquisition Workforce in accordance with Communication Plan - Communication will be provided to the Acquisition workforce announcing updates to templates. (See	004: Emails and artifacts documenting communication from OSO A&G to Acquisition Workforce IAW Communication Plan	Due Date: 03/31/2025

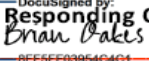
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Assisted Acquisition Service (AAS) QF Corrective Action Plan

Recommendation 006, Action Item 001, CAP page 23 - <i>Communication Plan</i>)		
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Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

DocuSigned by:
Designated Responding Officials: Brian Oakes, Sector Director for AAS OSO Systems & Data Science
Signature  **Date** 11/20/2024
8FF5FF039540401...
Contact Person: Jess Aston - QF2CA
Telephone Number: 703-407-2397
Date: 10/15/2024

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	Recommendation 004A: OIG recommends that the FAS Commissioner implement Assisted Services Shared Information System (ASSIST) controls to ensure accuracy and integrity of contract security classifications by prioritizing the development of edit history for immediate visibility of changes to the contract security classification level.	Proposed Recommendation Completion Date: Completed
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Finding(s): Only one per page. Findings are for GSA internal use only.

Finding 1 – AAS Level 2 contracts are not accurately classified, and as a result, some contracts are not subject to AAS portfolio reviews.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

Security classification levels on some AAS contracts were not accurately determined in accordance with AAS policies and procedures, which resulted in the misidentification of Level 3 contracts as Level 2 contracts. Accordingly, these contracts were not subject to the higher level reviews and risk mitigation procedures applicable to Level 3 contracts.

Recommendation: Only one per page

Version Date: 3/01/2023

Assisted Acquisition Service (AAS) QF Corrective Action Plan

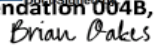
004A: OIG recommends that the FAS Commissioner implement Assisted Services Shared Information System (ASSIST) controls to ensure accuracy and integrity of contract security classifications by prioritizing the development of edit history for immediate visibility of changes to the contract security classification level.

<u>Action to be Taken Step by Step</u> Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	<u>Supporting Documentation to be sent to the OCFO BA or BG office</u> Enter the type of documentation that will be sent to confirm completion of each step.	<u>Documentation will be sent Last Duty Day of the month</u> Enter the last duty day of the month in which the step will be completed. <u>(Month/day/year)</u>
001 - Prioritize Development of Edit History for ASSIST Security Classification Flag- OSO Systems & Data Science will prioritize the development of edit history to show when the CO has selected and/or changed the Security Classification Flag (See Recommendation 004B, Action Item 001, CAP Page 17 - <i>Prioritize Development of Edit Restrictions for ASSIST Security Classification Flag to Named CO Only</i>)	001: ASSIST Screenshot of the Edit History	001 Due Date: Completed

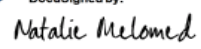
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Assisted Acquisition Service (AAS) QF Corrective Action Plan

**Designated Responding Officials: Brian Oakes, Sector Director for AAS OSO Systems & Data Science
(Recommendation 004B, Action items 001 & 002)**

Signature  **Date** 11/6/2024

Natalie Melomed, Division Director for AAS OSO Acquisition & Governance (Recommendation 004B, Action item 003)

Signature  **Date** 11/6/2024

Contact Person: Jess Aston - QF2CA

Telephone Number: 703-407-2397

Date: 10/15/2024

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	Recommendation 004B: OIG recommends that the FAS Commissioner implement ASSIST controls to ensure accuracy and integrity of contract security classifications by limiting the ability to edit contract data to only the assigned acquisition personnel and their supervisory chain.	Proposed Recommendation Completion Date: 08/2025
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Finding(s): Only one per page. Findings are for GSA internal use only.

Finding 1 – AAS Level 2 contracts are not accurately classified, and as a result, some contracts are not subject to AAS portfolio reviews.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

Security classification levels on some AAS contracts were not accurately determined in accordance with AAS policies and

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Assisted Acquisition Service (AAS) QF Corrective Action Plan

procedures, which resulted in the misidentification of Level 3 contracts as Level 2 contracts. Accordingly, these contracts were not subject to the higher level reviews and risk mitigation procedures applicable to Level 3 contracts.

Recommendation: Only one per page

004B: OIG recommends that the FAS Commissioner implement ASSIST controls to ensure accuracy and integrity of contract security classifications by limiting the ability to edit contract data to only the assigned acquisition personnel and their supervisory chain.

<u>Action to be Taken Step by Step</u> Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	<u>Supporting Documentation to be sent to the OCFO BA or BG office</u> Enter the type of documentation that will be sent to confirm completion of each step.	<u>Documentation will be sent Last Duty Day of the month</u> Enter the last duty day of the month in which the step will be completed. <u>(Month/day/year)</u>
001 - Prioritize Development of Edit Restrictions for ASSIST Security Classification Flag to Named Contracting Officer (CO) Only - OSO Systems & Data Science will prioritize the development of the capability to restrict edit access for the Security Classification Flag to the named CO only. This proposed solution will enact tighter internal controls by preventing unauthorized individuals from selecting Security Classification flags. By allowing edit access for the CO only, it	001: Updated backlog showing the prioritization of this capability with planned dates	001 Due Date: 03/31/2025

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Assisted Acquisition Service (AAS) QF Corrective Action Plan

will ensure the policy for implementing flags in ASSIST is consistent with the policy for determining Security Classification Levels, which is the responsibility of the CO.		
002 - Restrict Edit Access for ASSIST Security Classification Flag to Named Contracting Officer (CO) Only - This is a follow-on to Action Item 001 above.	002: Screenshots of Demo in ASSIST	002 Due Date: 08/29/2025
003 - Update Existing Policy on Implementation of Security Classification Flags in ASSIST - Existing policy will be updated in accordance with Recommendation 002, Action Item 001, CAP Page 5 - <i>Establish new stand-alone Operational Notice for Contracts with Heightened Security Classifications</i> to state that only the Named Contracting Officer shall select and edit the ASSIST Security Classification Flag.	003: New consolidated ON for Contracts with Heightened Security Classifications	Due Date: 08/29/2025

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Assisted Acquisition Service (AAS) QF Corrective Action Plan**Designated Responding Officials: Jayme Boderman, Human Capital Project Manager, AAS OSO Human Capital****Signature** Signed by: Jayme Boderman **Date** 11/6/2024
AAD8-398ACE6457...**Natalie Melomed, Division Director for AAS OSO Acquisition & Governance (Recommendation****005, Action Item 004)**
Signature DocuSigned by: Natalie Melomed **Date** 11/6/2024
6622649EF6E9432...**Contact Person: Jess Aston - QF2CA****Telephone Number: 703-407-2397****Date: 10/15/2024**

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	Recommendation 005: OIG recommends that the FAS Commissioner strengthen AAS policy to require AAS Level 3 contracting officers to have adequate security clearances and establish a plan to initiate the security clearance process for affected contracting officers.	Proposed Recommendation Completion Date: 08/2025
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Finding(s): Only one per page. Findings are for GSA internal use only.**Finding 2 – AAS policy does not require AAS Level 3 contracting officers to have adequate security clearances, which can impair the administration of contracts with classified elements.****Root Cause of Finding(s): Root cause determination is for GSA internal use only.****Current AAS policy requires at least one member of the GSA acquisition team (CO, CS, and/or COR/PM) to hold a requisite clearance on a Level 3 contract. As a result, some Level 3 contracts do not have a Contracting Officer with a clearance.***Version Date: 3/01/2023*

Assisted Acquisition Service (AAS) QF Corrective Action Plan**Recommendation: Only one per page**

005: OIG recommends that the FAS Commissioner strengthen AAS policy to require AAS Level 3 contracting officers to have adequate security clearances and establish a plan to initiate the security clearance process for affected contracting officers.

<u>Action to be Taken Step by Step</u> Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	<u>Supporting Documentation to be sent to the OCFO BA or BG office</u> Enter the type of documentation that will be sent to confirm completion of each step.	<u>Documentation will be sent Last Duty Day of the month</u> Enter the last duty day of the month in which the step will be completed. (Month/day/year)
001 - Gap Analysis of Contracting Officer Clearances on AAS Level 3 Contracts - OSO Human Capital will review the clearance status of all Contracting Officers assigned to active Level 3 contracts. A list of contracts without cleared Contracting Officers will be provided for risk mitigation.	001: Results of Gap Analysis, including list of Level 3 contracts without cleared Contracting Officers	001 Due Date: 05/30/2025
002 - Establish Short-Term Plan to Obtain Security Clearances for Contracting Officers on Active Level 3 Contracts Identified in the Gap Analysis- OSO A&G will establish a plan to obtain	002: Short-Term Plan to Obtain Security Clearances for Contracting Officers on Active Level 3 Contracts	002 Due Date: 08/29/2025

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cleared Contracting Officers on all active Level 3 contracts within one year of plan initiation, subject to clearance investigation and adjudication lead times. Plan may include a mix of risk mitigation strategies, such as initiating clearances and/or transferring Level 3 contracts to COs with active clearances.		
003 - Establish Long-Term Strategic Plan for Security Clearances for Contracting Officers- OSO A&G will develop a plan to ensure AAS has adequate resourcing of cleared Contracting Officers to match AAS strategic vision, organizational goals, and client/mission requirements.	003: Long-Term Plan to Obtain Security Clearances for Contracting Officers	003 Due Date: 08/29/2025
004 - Update AAS Policy to Require Adequate Security Clearances for Contracting Officers on Level 3 Contracts - OSO A&G will update existing policy to require Security Clearances for Contracting Officers on Level 3 contracts. (See Recommendation 002, Action Item 001, CAP Page 5 - <i>Establish new stand-alone Operational Notice for Contracts with Heightened Security</i>	004: New consolidated ON for Contracts with Heightened Security Classifications	004 Due Date: 08/29/2025

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Assisted Acquisition Service (AAS) QF Corrective Action Plan

<i>Classifications.)</i>		
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Assisted Acquisition Service (AAS) QF Corrective Action Plan

Designated Responding Officials: Jessica Whatley, Sector Director for AAS OSO Acquisition & Governance and

Natalie Melomed, Division Director for AAS OSO Acquisition & Governance

Signature  Date 11/6/2024 Signature  Date 11/6/2024

Contact Person: Jess Aston - QF2CA

Telephone Number: 703-407-2397

Date: 10/15/2024

A230065Q3P24001: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	Recommendation 006: OIG recommends that the FAS Commissioner provide AAS contracting personnel with training on any updated policies or guidance implemented in response to the audit findings.	Proposed Recommendation Completion Date: *10/2025
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Finding(s): Only one per page. Findings are for GSA internal use only.

Finding 1 – AAS Level 2 contracts are not accurately classified, and as a result, some contracts are not subject to AAS portfolio reviews.

Finding 2 – AAS policy does not require AAS Level 3 contracting officers to have adequate security clearances, which can impair the administration of contracts with classified elements.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

Root Cause Finding 1: Security classification levels on some AAS contracts were not accurately determined in accordance with AAS policies and procedures, which resulted in the misidentification of Level 3 contracts as Level 2 contracts. Accordingly, these

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contracts were not subject to the higher level reviews and risk mitigation procedures applicable to Level 3 contracts.

Root Cause Finding 2: Current AAS policy requires at least one member of the GSA acquisition team (CO, CS, and/or COR/PM) to hold a requisite clearance on a Level 3 contract. As a result, some Level 3 contracts do not have a Contracting Officer with a clearance.

Recommendation: Only one per page

006: OIG recommends that the FAS Commissioner provide AAS contracting personnel with training on any updated policies or guidance implemented in response to the audit findings.

<u>Action to be Taken Step by Step</u> Enter each step to be taken to implement the recommendation in consecutive order. Must use three numerical digits and the first step must be 001.	<u>Supporting Documentation to be sent to the OCFO BA or BG office</u> Enter the type of documentation that will be sent to confirm completion of each step.	<u>Documentation will be sent Last Duty Day of the month</u> Enter the last duty day of the month in which the step will be completed. <u>(Month/day/year)</u>
001-Develop a Page on the AAS Intranet under Acquisition Policy and Templates / Acquisition Administration Resources for Clearances and Classified Contracts (final webpage title TBD)- During the process of writing and establishing the new consolidated ON, this page will provide AAS contracting personnel with easy access to all current definitions, templates and policies related to	001: Link to AAS Intranet Webpage for content for Clearances and Classified Contracts	001 Due Date: 01/31/2025

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Assisted Acquisition Service (AAS) QF Corrective Action Plan

contracts with heightened security classifications. It will continue to be updated with new policies and guidance related to both contracts with heightened security classifications and processes and Points of Contact for obtaining security clearances.		
002 - Communication Plan - OSO A&G will establish a communication plan for informing and engaging with the acquisition workforce on corrective actions and updates to policies, guidance, templates, and resources implemented in response to these audit findings.	002: Draft Communication Plan (to be continuously updated as needed)	Due Date: 01/31/2025
003- Provide Training to AAS Acquisition Workforce - OSO A&G will provide comprehensive training to the acquisition workforce on updated policies and guidance implemented in response to these audit findings.	003: Training Slide Deck 003: Meeting Invitation(s) 003: Attendance Report	Due Date: 8/29/2025 Due Date: 8/29/2025 Due Date: 10/31/2025* * Limitations preventing Action Step 002 from being fully completed by 9/15/2025 include: (1) the related ONs must be issued, amended or canceled before the training slide deck can be finalized (ON

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		issuance and/or amendment process takes months to complete) and (2) AAS does not hold training for the last several weeks of the fiscal year due to the lack of acquisition workforce bandwidth. Training materials will be available prior to the training sessions. Supporting Documentation 002(a) and 002(b) will show interim progress within one year of report issuance.
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Appendix B – Report Distribution

GSA Administrator (A)

GSA Deputy Administrator (AD)

Acting Commissioner (Q)

Acting Director TTS (Q2)

Chief of Staff (Q)

Assistant Commissioner, Office of Assisted Acquisition Services (QF)

Deputy Assistant Commissioner, Office of Assisted Acquisition Services (QF1)

Chief of Staff, Office of Assisted Acquisition Services (QF1)

Chief Financial Officer (B)

Audit Management Division (BPA)

Assistant Inspector General for Auditing (JA)

Deputy Assistant Inspector General for Acquisition Audits (JA)

Deputy Assistant Inspector General for Real Property Audits (JA)

Director (JAO)



CONTACT US

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