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

IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN

Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight Report Number A230032/P/2/R24004 May 3, 2024

Assignment Number A260049
August 28, 2026

Table of Contents

Introduction

We have completed an implementation review of the management actions taken in response to the recommendations contained in our May 2024 audit report, *Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight*, Report Number A230032/P/2/R24004.

Objective

The objective of our review was to determine whether the GSA Public Buildings Service (PBS) has taken the actions as outlined in the Corrective Action Plan for *Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight* (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 PBS personnel;
- Examined documentation submitted by PBS to support the completion of the Corrective Action Plan steps; and
- Reviewed PBS's implementation of the guidance and procedures contained in these supporting documents.

Background

PBS is responsible for managing GSA-owned buildings nationwide and providing suitable conditions for building tenants. This responsibility includes the operations and maintenance (O&M) of federally owned buildings.

To satisfy this responsibility, PBS awards contracts to businesses that specialize in building O&M. PBS issues a solicitation that outlines all the necessary requirements to operate and maintain a federal building or buildings. Contractors then propose staffing levels they think are adequate and appropriate to satisfy those requirements. This includes designation of key personnel; specifically, the project manager or chief engineer. These positions act as onsite supervision and are considered essential to the work performed under the contract. O&M contracts also require the contractor to have a contingency plan for the loss of onsite personnel caused by, among other things, strikes, walkouts, injuries, or abrupt resignations.

O&M contracts often are awarded to one contractor for multiple buildings. O&M contracts specify that the contractors are responsible for the efficient, effective, economical, and satisfactory O&M of the building or buildings covered under their contracts.

O&M contractors are typically responsible for all management, supervision, labor, materials, equipment, and supplies to provide those services. Oversight is provided by the PBS contracting officer's representative, who is responsible for monitoring, assessing, recording, and reporting on a contractor's performance. Due to the high volume of work and documentation requirements in O&M contracts, ensuring compliance is ultimately a collaborative effort between PBS, onsite contracting staff, and the O&M contractors. This effort requires frequent communication between all parties to maintain performance levels and identify and resolve performance deficiencies.

On May 3, 2024, we issued an audit report, *Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight*, to the PBS Commissioner. The objective of the audit was to determine whether O&M contractors are complying with the terms and conditions of their GSA contracts.

Our audit found that O&M contractors did not consistently comply with the terms and conditions of their GSA contracts.

To address the finding identified in our report, we recommended that the PBS Commissioner take action to ensure that PBS contracting officials:

1. Emphasize the evaluation of O&M contractors' proposed staffing and communicate with onsite PBS staff prior to contract award to ensure contract terms and conditions can be fully met.
2. Confirm and enforce O&M contractor compliance with contractual requirements governing:
    a. "Personnel" and "Contractor Key Personnel"; and
    b. Contingency plans for "Loss of the Contractor's onsite personnel."
3. Ensure that the O&M contract language clearly specifies the time requirements for routine service request completion and that the requirements are communicated to O&M contractors.
4. Thoroughly review and understand the O&M contracts' quality control plan inspection requirements.
5. Improve oversight of O&M contractors' compliance with the terms and conditions of their GSA contracts.

The PBS Commissioner agreed with our report recommendations.

Results

Our implementation review determined that PBS management has taken appropriate corrective actions to address the recommendations. We determined that no further action is necessary.

Appendix A – Corrective Action Plan for Report Number A230032/P/2/R24004

Office of Facilities Management - PM/ Office of Acquisition Management - PQ Corrective Action Plan

Audit Report Title: Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight

Designated Responding Official: Courtney Springer/ Tracy Marcinowski
Contact Person: Patrick Fee/ Ashley Seffernick
Telephone Number: 202-501-0038
Date: June 4, 2024

Recommendation Action Report Number/Title	Recommendation Number:	Proposed Completion Date:
A230032/P/2/R24004	001	11/29/2024

Finding(s):
O&M contractors did not consistently comply with the terms and conditions of their GSA contracts.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.
Operation and maintenance (O&M) contractors did not consistently comply with the terms and conditions of their GSA contracts for a number of reasons, including misunderstanding of certain terms and standards within the PBS Performance Work Statement (PWS). Though PBS maintains a national Quality Assurance Surveillance Plan (QASP) template, unclear or misunderstood terms and standards may lead to differences in interpretation of acceptable performance levels and whether requirements have been met. GSA's Contracting Officer's Representatives (COR) must be diligent in providing sufficient oversight to ensure that GSA receives the services specified in the contract.

Recommendation - #001

Emphasize the evaluation of O&M contractors' proposed staffing and communicate with onsite PBS staff prior to contract award to ensure contract terms and conditions can be fully met.

Action to be Taken Step-by-Step:	Supporting Documentation:	Completion Date:
001: PBS will issue guidance emphasizing that source selection is a multi-disciplined team effort and that the source selection team should include representatives from appropriate functional areas, such as contracting, small business, technical (including on-site staff), cost/price, legal, and program management.	A copy of the guidance documentation.	11/29/2024

Office of Facilities Management - PM Corrective Action Plan

Audit Report Title: Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight

Designated Responding Official: Courtney Springer/ Tracy Marcinowski

Contact Person: Patrick Fee/ Ashley Seffernick

Telephone Number: 202-501-0038

Date: June 4, 2024

Recommendation Action Report Number/Title	Recommendation Number	Proposed Completion Date:
A230032/P/2/R24004	002	4/30/2025

Finding(s):

O&M contractors did not consistently comply with the terms and conditions of their GSA contracts.

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

O&M contractors did not consistently comply with the terms and conditions of their GSA contracts for a number of reasons, including misunderstanding of certain terms and standards within the PBS PWS. Though PBS maintains a national QASP template, unclear or misunderstood terms and standards may lead to differences in interpretation of acceptable performance levels and whether requirements have been met. GSA's CORs must be diligent in providing sufficient oversight to ensure that GSA receives the services specified in the contract.

Recommendation - #002

Confirm and enforce O&M contractor compliance with contractual requirements governing:

a. "Personnel" and "Contractor Key Personnel" and

b. Contingency plans for “Loss of the Contractor’s onsite personnel.”

Action to be Taken Step-by-Step:	Supporting Documentation:	Completion Date:
001: PBS will issue guidance to the PBS acquisition workforce {including Contracting Officers (CO), CORs and program managers} covering acquisition planning activities for performance-based service contracts, including how to determine personnel considered "key" for successful contract performance, such as program managers, lead engineers or subject matter experts. The guidance will reinforce that, when evaluating technical/management proposals and making award decisions, PBS will emphasize key personnel qualifications and availability.	A copy of the guidance documentation.	11/29/2024

002: To minimize the impact of loss of the contractor's onsite personnel, PBS will revise the PWS to require contractors, prior to removing, replacing or diverting any key personnel, to: • Submit justification for the change and qualifications of proposed substitutions to the CO and COR and • Obtain written approval from the CO.	Copy of the revised PWS provision.	4/30/2025

Office of Facilities Management - Corrective Action Plan

Audit Report Title: Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor

Performance and Ineffective Oversight

Designated Responding Official: Courtney Springer
Contact Person: Patrick Fee
Telephone Number: 202-501-0038
Date: June 4, 2024

Recommendation Action Report Number/Title	Recommendation Number	Proposed Completion Date:
A230032/P/2/R24004	003	4/30/2025

Finding(s):
O&M contractors did not consistently comply with the terms and conditions of their GSA contracts.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.
O&M contractors did not consistently comply with the terms and conditions of their GSA contracts for a number of reasons, including misunderstanding of certain terms and standards within the PBS PWS. Though PBS maintains a national QASP template, unclear or misunderstood terms and standards may lead to differences in interpretation of acceptable performance levels and whether requirements have been met. GSA's CORs must be diligent in providing sufficient oversight to ensure that GSA receives the services specified in the contract.

Recommendation - #003
Ensure that the O&M contract language clearly specifies the time requirements for routine service request completion and that the requirements are communicated to O&M contractors.

Action to be Taken Step-by-Step:	Supporting Documentation:	Completion Date:
001: PBS will revise subsections 5.12.2.3 and 5.12.2.4 of the PWS. Specifically, the "“note to spec writer” will be revised to direct the specification writer to insert the applicable time frame for completion in either hours or calendar days.	Copy of the revised PWS Language.	4/30/2025

Office of Facilities Management - Corrective Action Plan

Audit Report Title: Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight

Designated Responding Official: Courtney Springer/ Tracy Marcinowski

Contact Person: Patrick Fee/ Ashley Seffernick

Telephone Number: 202-501-0038

Date: June 4, 2024

Recommendation Action Report Number/Title	Recommendation Number	Proposed Completion Date:
A230032/P/2/R24004	004	4/30/2025

Finding(s):

O&M contractors did not consistently comply with the terms and conditions of their GSA contracts.

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

O&M contractors did not consistently comply with the terms and conditions of their GSA contracts for a number of reasons, including misunderstanding of certain terms and standards within the PBS PWS. Though PBS maintains a national QASP template, unclear or misunderstood terms and standards may lead to differences in interpretation of acceptable performance levels and whether requirements have been met. GSA's CORs must be diligent in providing sufficient oversight to ensure that GSA receives the services specified in the contract.

Recommendation - #004

Thoroughly review and understand the O&M contracts' quality control plan inspection requirements.

Action to be Taken Step-by-Step:	Supporting Documentation:	Completion Date:
001: PBS will continue implementing appropriate acquisition planning activities for performance-based service contracts, including the development of Acceptable Quality Levels (AQL) (*i.e.*, performance standards) and a QASP that complies with applicable regulations.	Copy of the AQL template and corresponding QASP template.	4/30/2025

Office of Facilities Management - Corrective Action Plan

Audit Report Title: Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight

Designated Responding Official: Courtney Springer/ Tracy Marcinowski

Contact Person: Patrick Fee/ Ashley Seffernick

Telephone Number: 202-501-0038

Date: June 4, 2024

Recommendation Action Report Number/Title	Recommendation Number	Proposed Completion Date:
A230032/P/2/R24004	005	4/30/2025

Finding(s):

O&M contractors did not consistently comply with the terms and conditions of their GSA contracts.

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

O&M contractors did not consistently comply with the terms and conditions of their GSA contracts for a number of reasons, including misunderstanding of certain terms and conditions within the PBS PWS. Though PBS maintains a national QASP template, unclear or misunderstood terms and standards may lead to differences in interpretation of acceptable performance levels and whether requirements have been met. GSA's CORs must be diligent in providing sufficient oversight to ensure that GSA receives the services specified in the contract.

Recommendation - #005

Improve oversight of O&M contractors' compliance with the terms and conditions of their GSA contracts.

Action to be Taken Step-by-Step:	Supporting Documentation:	Completion Date:
001: PBS will issue guidance to the PBS acquisition workforce, including COs, CORs and program managers, that includes clear, descriptive instruction on how to monitor and enforce QASPs and AQLs during contract administration to ensure compliance and improve performance outcomes.	A copy of the guidance documentation.	4/30/2025
002: PBS will strengthen management oversight to ensure personnel comply with contract administration policies and procedures intended to ensure sufficient government oversight of contractor performance. PBS will continue to mandate that a critical element be included in all active CORs' performance plans to ensure managers hold CORs accountable for critical work. PBS will provide additional guidance on how managers can obtain feedback on COR performance to support the critical element rating.	A copy of the guidance documentation and a report confirming that the required "acquisition" critical element is in all active CORs' performance plans.	11/29/2024

Appendix B – Report Distribution

GSA Administrator (A)

GSA Deputy Administrator (AD)

Acting Commissioner (P)

Acting Deputy Commissioner (P1)

Deputy Commissioner (P1)

Acting Chief of Staff (P2)

Acting Chief of Staff (PB)

Acting Assistant Commissioner (PM)

Chief Financial Officer (B)

Deputy Chief Financial Officer (B)

Office of Audit Management and Accountability (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

For more information about the GSA OIG, please visit us online at www.gsaig.gov.

Office of Inspector General
U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405
Email: oig_publicaffairs@gsaig.gov
Phone: (202) 501-0450 (General)
(202) 273-7320 (Press Inquiries)

GSA OIG Hotline
To report allegations of fraud, waste, abuse, mismanagement, or misrepresentations affiliated with GSA, please submit information to our hotline, www.gsaig.gov/hotline, or call (800) 424-5210.

Follow us:

gsa-oig

gsa_oig

@gsa-oig

gsa-oig