

**Improved Oversight of the Guard Services
Contract Is Needed to Ensure Compliance
With Contract Terms and Conditions**

March 2003

Reference Number: 2003-10-076

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

INSPECTOR GENERAL
for TAX
ADMINISTRATION

March 14, 2003

MEMORANDUM FOR CHIEF, AGENCY-WIDE SHARED SERVICES

Gordon C. Milbourn

FROM: Gordon C. Milbourn III
Acting Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Improved Oversight of the Guard Services Contract Is Needed to Ensure Compliance With Contract Terms and Conditions (Audit # 200210023)

This report presents the results of our review of the Internal Revenue Service's (IRS) contract for guard services provided at its headquarters' locations. The overall objective of this review was to determine if the contractor properly maintained required company and individual licenses, and only employed those individuals as security guards who were suitable for employment on the IRS contract.

The review of this contract was conducted as a joint initiative between the Treasury Inspector General for Tax Administration's (TIGTA) Office of Audit and Office of Investigations (OI) because of heightened security concerns after the events of September 11, 2001. These concerns included the potential employment of security guards with criminal convictions and/or immigration violations. This contract was particularly relevant since the contractor provides security guards that act as a daily deterrent against unauthorized, illegal, or potentially life-threatening activities directed toward IRS employees, visitors, information, programs, and property.

In summary, validations completed through October 2002 did not identify any issues related to the current employment of security guards with criminal convictions or immigration violations. However, the OI is continuing to perform additional verifications and follow-up with the appropriate government agencies to ensure that all the guards are, in fact, eligible to work on this contract and have access to IRS facilities.

As a result of this initiative, we determined that increased oversight is needed to ensure the contractor's compliance with all contract terms and conditions, particularly those concerning licensing. Because of inadequate oversight, the contractor operated for periods of time at both the New Carrollton Federal Building (NCFB) and the IRS Main

Building in Washington, D.C., without all company and individual security guard licensing required by the contract and by law, thereby increasing the risk to the safety and security of IRS employees and property.

We recommended that the Chief, Agency-Wide Shared Services (AWSS), perform additional monitoring to ensure the contractor complies with all contract terms and conditions and is not paid for services performed by security guards who do not possess current licenses and certifications. The Chief, AWSS, should also coordinate all remedies with the United States Attorney's Office (USAO) and the OI regarding all appropriate legal actions. In addition, the Chief, AWSS, should consider changing the award fee plan to make compliance with all contract terms and conditions a prerequisite for award fee eligibility.

Management's Response: IRS management agreed with the recommendations presented in our report and has begun to implement corrective actions. Specifically, the IRS developed a new monitoring procedure to ensure the contractor complies with the contract. The IRS also modified the contract to require the contractor to provide a monthly employment listing with the status of all security guard certifications and permits. The IRS will monitor the status of these certifications and permits to ensure the contractor is not paid for services provided by security guards who do not meet contract requirements. The IRS will also provide assistance, information, and documents in support of legal remedies pursued by the USAO. In addition, the IRS will no longer include an award fee after the expiration of the current contract in September 2003. Management's complete response to the draft report is included as Appendix V.

Copies of this report are also being sent to the IRS managers who are affected by the report recommendations. Please contact me at (202) 622-6510 if you have questions or Daniel R. Devlin, Assistant Inspector General for Audit (Headquarters Operations and Exempt Organizations Programs), at (202) 622-8500.

Improved Oversight of the Guard Services Contract Is Needed to Ensure Compliance With Contract Terms and Conditions

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Improved Oversight of the Guard Services Contract Is Needed to Ensure Compliance With Contract Terms and Conditions

Background

In September 1998, the Internal Revenue Service (IRS) awarded a contract to provide guard services at IRS headquarters' locations (the IRS Main Building in Washington, D.C., and the New Carrollton Federal Building (NCFB) in New Carrollton, Maryland). The purpose of the contract was to provide building security guard services at IRS facilities in the Washington, D.C., metropolitan area. The contract also provides for similar services at other IRS locations in the Washington, D.C., area in the event of emergencies, special events, or other unusual occurrences.

This fixed-price plus award fee contract¹ had an estimated cost of \$17.7 million over a 5-year period, which included 1 base year and 4 option years. The contract, initially set to begin in October 1998, was delayed 3 months to allow the contractor to secure all necessary licensing. The contractor began providing guard services in January 1999, and is presently completing the fifth and final year of the contract.

The estimated cost included award fees of \$500,000, based on the contractor's potential to earn a maximum award fee of \$25,000 per quarter over 5 years. The contract contains an award fee plan outlining evaluation criteria. The purpose of the award fee is to ensure the IRS receives the best performance possible by providing a positive incentive for the contractor. The performance evaluation criteria includes the following:

- Supervision/Operations and Management (30 percent). This category includes the day-to-day administration and participation of the contractor's personnel.
- Quality Assurance (25 percent). This category includes the monitoring and inspection techniques and procedures, which will ensure that required services are provided by the contractor in a timely and efficient manner.

¹ In a fixed-price plus award fee contract, a contractor's performance is evaluated against an award fee plan, and the award fee, if any, is paid in addition to an established fixed-price (including normal profit).

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- Complaints (20 percent). The contractor has no documented complaints from the Contracting Officer's Technical Representative (COTR) with regard to the performance of the guard force.
- Reports (10 percent). All incident reports are complete and entered into the management information system timely and correctly.
- Responsiveness (15 percent). The contractor has properly responded to all incidents in a timely and professional manner.

The award fee plan also provides for general evaluation criteria, which is used as a guide in evaluating the contractor's performance. This criteria includes workmanship, efficiency, ingenuity, safety, communication, autonomy, and contract management.

IRS headquarters' facilities are located in multiple jurisdictions. Therefore, the contractor is required to comply with the appropriate regulating authorities governing security guard and handgun licensing within each jurisdiction. These regulating authorities and legal requirements are as follows:

- The IRS requires the contractor to comply with General Services Administration (GSA) requirements related to contract guard certifications. The GSA performs suitability assessments on the security guards. These assessments consist of ensuring that the security guards meet proper safety and security requirements, including background investigations, current handgun qualifications, current Cardiopulmonary Resuscitation (CPR) and first aid certifications, and passing of the GSA written examination which tests the guards' knowledge of safety and security issues.
- The state of Maryland requires that a business be licensed by the Maryland State Police (MSP) as a security guard agency before providing security guard services in the state. Maryland also requires individuals hired as security guards to obtain

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certification as a security guard from the MSP. To qualify, the individual must be an employee or applicant for employment with a licensed security guard agency. Maryland Handgun permits are also issued to the guards based on employment with a licensed agency.

- The Washington, D.C., Metropolitan Police Department (MPD) Security Officers Management Branch is responsible for the licensing of security guard companies. Washington, D.C., does not require security guard contractors who work only on federal property to obtain licensing. However, licensing is required if specified by the contract or if the contractor works on other Washington, D.C., locations that are not on Federal Government property. Similar regulations apply to the registration of handguns. If the contractor has to register its handguns with Washington, D.C., the company is required to maintain a Private Detective Agency license in order to keep the handgun registrations valid.

The Office of Procurement is responsible for the administration of this contract. These responsibilities include ensuring performance of all necessary actions for effective contracting, for ensuring compliance with the terms of the contract, and for safeguarding the interest of the Federal Government in its contractual relationship. The COTR is located in the Security and Safety Management Branch and is responsible for monitoring the contractor's performance and other contract administration duties, including reviewing and certifying the invoices for payment.

The review of this contract was conducted as a joint initiative between the Treasury Inspector General for Tax Administration's (TIGTA) Office of Audit and Office of Investigations (OI). The contract was identified for review because of heightened security concerns after the events of September 11, 2001. These concerns included the potential employment of security guards with criminal convictions and/or immigration violations. This contract was particularly relevant since the guards provide a daily

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deterrent against unauthorized, illegal, or potentially life-threatening activities directed toward IRS employees, visitors, information, programs, and property.

The audit work was performed from December 2001 to October 2002² in the Real Estate and Facilities Management and Procurement areas within the Agency-Wide Shared Services (AWSS) function in Oxon Hill and New Carrollton, Maryland, and Washington, D.C. The audit was conducted in accordance with *Government Auditing Standards*.

Detailed information on our audit objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.

Validations completed through October 2002 did not identify any issues related to the current employment of security guards with criminal convictions or immigration violations. However, the OI is performing additional verifications with the appropriate government agencies to ensure all guards are, in fact, eligible to work on this contract and have access to IRS facilities. Because the verifications involve a complex process and require the coordination of multiple agencies, the OI is continuing to pursue the necessary information and perform any required follow-up work.

The IRS can improve its oversight of the guard services contract for the Washington, D.C., metropolitan area. As a result of inadequate oversight, the contractor was in violation of legal requirements and risked the safety and security of IRS employees.³ Specifically we identified that:

- The contractor operated for extended periods of time at both the NCFB and the Main Building without

Improvements Are Needed in the Oversight of the Guard Services Contract

² Audit fieldwork involved extensive National Crime Information Center, Immigration and Naturalization Service, and Social Security Administration research and subsequent court house follow-up work required by the OI to ensure the accuracy of the information received.

³ Inadequate IRS oversight does not negate the contractor's responsibility to be in compliance with the contract and all laws and regulations.

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current, valid company licensing and the related handgun licenses.

- The contractor did not maintain current GSA certifications for all of its individual security guards.

The IRS paid approximately \$4.7 million in fixed and additional services⁴ costs during the time the contractor was in violation of the contract. Also, security guards at the NCFB were in effect carrying weapons without proper, legal authority to do so. Effective IRS oversight of the contract is needed to ensure that the contractor is complying with all licensing requirements required by the contract and the law.

Company licensing

The guard services contractor operated for an extended period of time at both the NCFB and the Main Building without all necessary company licensing. The IRS did not monitor the contractor's license expiration dates to ensure the contractor complied with all laws and contract requirements. Because its Maryland license had expired, the MSP could have stopped the contractor from operating and left the IRS without building security at important headquarters facilities. This lack of company licensing also adversely affected the licensing of the contractor's individual guards at the NCFB, including invalidating their Maryland Handgun permits and Security Guard certifications and the registration of the company's handguns at the Main Building.

NCFB

At the NCFB, the contractor operated for over 6 months, from July 31, 2001, through February 3, 2002, without a valid Maryland Security Guard Agency license. Additionally, because the contractor was no longer licensed, the individual guards were no longer employed by a licensed agency, so their Maryland Security Guard

⁴ Additional services include work performed by the contractor beyond the normal fixed-cost services required in the Statement of Work. These services include, but are not limited to, special escort services, controlling access, and guarding against theft at any unsecured access point for periods of heightened security, etc.

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certifications and Handgun permits became invalid as well. During this period, the IRS paid an unlicensed contractor, with unlicensed security guards who were in violation of the Maryland State law and the IRS contract, for services at the NCFB.

The contract requires the contractor to possess all necessary licenses and permits and assure effective performance of services. The MSP requires licensing before a security guard company may provide services in Maryland. To qualify, a company must appoint a firm member⁵ as the representative to make the application on its behalf. The individual applicant must meet certain requirements related to character, age, experience, and residency.

The following table outlines the chronology of events pertaining to the contractor's Maryland Security Guard Agency license:

DATE	EVENT
July 30, 2001	The contractor's Maryland Security Guard Agency license expired.
August 8, 2001	The MSP issued the contractor a certified letter advising the company to "cease and desist" operations.
August 17, 2001	The contractor submitted an application for a new license.
October 8, 2001	The MSP denied the license and advised the contractor that the order to "cease and desist" operations remained in effect. The license was denied because the applicant was not a corporate officer and did not have the required experience.
October 17, 2001	The contractor submitted a second application and the MSP again denied the license. The second application was denied because the applicant was not a Maryland resident.
January 25, 2002	MSP personnel told the TIGTA that the contractor's Maryland Security Guard Agency license expired and shortly thereafter, the TIGTA informed the IRS of the matter.
January 31, 2002	The contractor submitted a third application that satisfied all the Maryland requirements.
February 4, 2002	The MSP issued the contractor a new license, which is valid through July 30, 2004.

⁵ A firm member is a partner of a partnership or an officer or director of a corporation.

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Main Building

Similarly, the contractor operated at the Main Building for approximately 5 months, from December 16, 2001, through May 15, 2002, without a valid Washington, D.C., Private Detective Agency license. The expiration of this license caused the Washington, D.C., MPD to revoke the handgun registrations on all weapons belonging to the company.

On October 31, 2001, the contractor's Washington, D.C., Private Detective Agency license expired. However, the MPD granted the contractor an additional 45 days, through December 15, 2001, to comply. The contractor submitted new applications in February 2002, but the MPD did not issue a new license until May 16, 2002.

The contract provides for the possibility that the contractor's services may be required at other IRS facilities within Washington, D.C., and these facilities are located in non-federal buildings. Therefore, the contractor should continuously maintain licensing within Washington, D.C.

According to IRS personnel, they learned of the contractor's licensing problems with Maryland and Washington, D.C., as a result of the TIGTA's initiative. The contractor never informed the IRS that the company's Maryland and Washington, D.C., licenses had expired.

To prevent this problem from occurring in the future, the IRS plans on requiring the contractor to provide copies of its current licenses and provide proof of application for renewal at least 90 days prior to their expiration. Additionally, upon learning of the expired company licenses, the IRS reduced the contractor's award fee by \$18,750 over three quarters during which the contractor operated without the proper licensing. The reduction was based on the full amount available under the supervisory/management element of the award fee plan. However, because the other evaluation elements were related to the actual performance of the guards, the IRS could not eliminate the award fee entirely, and the contractor still received \$48,750 in award fees during these three quarters. Further, the TIGTA has presented the issue to the United States Attorney's Office for further evaluation and possible legal proceedings.

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Individual security guard certifications

Security guards working under the guard services contract did not possess all appropriate certifications. According to IRS personnel, the contractor is to maintain copies of these licenses in files that are readily accessible to the IRS. Our review of the contractor's employee files and subsequent follow-up with contractor's project managers did not identify any security guards with expired Maryland Security Guard certifications or Maryland Handgun permits. However, we determined that 41 (approximately 25 percent) of 165 security guards working at the NCFB and the Main Building did not continuously possess current GSA Contract Guard Certification cards during the contract.

These certifications are important because the GSA ensures that the security guards meet certain safety requirements (e.g., handgun qualifications, CPR certifications). Without current GSA cards, the IRS has no assurance that the security guards are properly trained and possess or have maintained qualifications in safety and security issues. Therefore, the protection of IRS employees and property may have been jeopardized. These guards should not have been working, and the IRS should not have paid the contractor for their services.

The contract allows the IRS to reduce the contractor's monthly invoice for services that either are not rendered or are rendered in a manner that fails to meet the terms and conditions of the contract. The contract requires the contractor to ensure that all its employees possess the necessary permits and authority to legally perform their duties. Unless specifically exempted by an IRS waiver, all of the contractor's security guards are required to have a current GSA Contract Guard Certification. In addition, guards working at the NCFB should possess a Maryland Security Guard certification and, if armed, a Maryland Handgun permit.

The IRS needs to monitor the expiration dates of the security guard certifications. If the certifications are expired, and the contractor allows the security guard to continue working, consideration should be given to reducing the contractor's monthly invoices for services not rendered.

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Recommendations

1. The Chief, AWSS, should perform additional monitoring of the contract to ensure the contractor is in compliance with all laws and contract terms and conditions.

Management's Response: The Procurement Office has developed a new monitoring procedure to ensure the contractor complies with the contract. The Contracting Officer and the COTR now review the contract annually using a checklist of task descriptions and deliverables.

2. As a result of the TIGTA advising IRS management of the expired license, the IRS took action to reduce the contractor's award fee by \$18,750. The Chief, AWSS, should consider changing the award fee plan to make compliance with all contract terms and conditions a prerequisite for the contractor's award fee eligibility.

Management's Response: The current contract expires on September 30, 2003. The new contract will be structured to focus on the contractor's overall performance based on the contract terms and conditions, and will not include an award fee.

3. The Chief, AWSS, should coordinate all remedies with the United States Attorney's Office (USAO) and the OI regarding all appropriate legal actions.

Management's Response: As the USAO pursues legal remedies through the United States District Court, Baltimore, the IRS will continue to provide assistance, information, or documents supporting the Federal Government's efforts.

4. The Chief, AWSS, should ensure that all security guards have current individual certifications and permits. If security guards with expired certifications and permits are found, the Chief, AWSS, should not pay the contractor for the services provided by those individuals.

Management's Response: The COTR revised the format of the monthly employment listing submitted by the contractor to include information that accurately identifies the status of

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required certifications and permits for each security guard. The Contracting Officer modified the contract to require the revised listing as well as a timeline for obtaining the certifications and permits. The COTR will monitor the monthly employment listings to ensure the IRS does not pay for employees who do not meet contract requirements.

Detailed Objective, Scope, and Methodology

The overall objective of this review was to determine if the contractor properly maintained required company and individual licenses, including business permits and firearms licenses, and only employed as security guards those individuals authorized to perform security guard services for the Internal Revenue Service. We coordinated our activities with actions taken by the Office of Investigations. To accomplish our objective, we:

- I. Determined if the contractor was properly licensed to provide security guard services.
 - A. Determined licensing requirements to provide security guard services in Maryland and Washington, D.C.
 - B. Verified with the appropriate licensing authorities or government officials that the contractor had met all licensing requirements and had held a valid license or permit throughout the contract period.
- II. Determined if all security guards were properly licensed to carry firearms and/or perform security guard services.
 - A. Determined licensing requirements for carrying a firearm and for employment as a security guard in Maryland and Washington, D.C.
 - B. Verified that 93 security guards employed at the New Carrollton Federal Building (NCFB) and 72 security guards employed at the Main Building had valid, up-to-date licenses as required for their positions.
 - C. Conducted inspections on August 23, 2002, of guard posts at NCFB requiring armed security guards and on September 6, 2002, of guard posts at the Main Building requiring armed security guards and verified that the guards on duty had valid, up-to-date firearms licenses.
- III. Determined if any security guards had criminal convictions and, if so, determined if they were also authorized to carry firearms.
- IV. Determined if the contractor and/or security guards submitted false statements/claims regarding an employee's criminal record.
- V. Determined if the contract and clearance process contained any deficiencies that enabled the employment of security guards with criminal convictions.

Major Contributors to This Report

Daniel R. Devlin, Assistant Inspector General for Audit (Headquarters Operations and Exempt Organizations Programs)

John R. Wright, Director

Debra Gregory, Audit Manager

Gwen Bryant-Hill, Auditor

Thomas Dori, Auditor

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Appendix III

Report Distribution List

Acting Commissioner N:C
Director, Procurement A:P
Director, Real Estate and Facilities Management A:RE
Chief Counsel CC
National Taxpayer Advocate TA
Director, Legislative Affairs CL:LA
Director, Office of Program Evaluation and Risk Analysis N:ADC:R:O
Office of Management Controls N:CFO:AR:M
Audit Liaisons:
 Agency-Wide Shared Services A
 Procurement A:P

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Appendix IV

Outcome Measures

This appendix presents detailed information on the measurable impact that our recommended corrective actions will have on tax administration. These benefits will be incorporated into our Semiannual Report to the Congress.

Type and Value of Outcome Measure:

- Cost Savings, Questioned Costs – Potential, Approximately \$4.7 million (see page 4).
- Cost Savings, Questioned Costs – Actual, \$18,750 (see page 4).

Methodology Used to Measure the Reported Benefit:

To determine the potential questioned costs, we reviewed the contractor's invoices for the period the company was operating without valid Maryland and Washington, D.C., licenses. This included reviewing invoices for services provided from August 1, 2001, through May 15, 2002. We determined the contractor billed the Internal Revenue Service (IRS) approximately \$4.7 million for services at the New Carrollton Federal Building in New Carrollton, Maryland, and the IRS Main Building in Washington, D.C., during this period of time. In computing the questioned costs we used only the fixed costs, billed semi-monthly, and the "additional services" costs, billed monthly. Our computation did not include the costs associated with training, canine explosive services (provided by a subcontractor), and quarterly award fees.

To determine the actual questioned costs, we interviewed IRS personnel and reviewed documentation related to the quarterly award fees paid during the period the contractor was operating without valid Maryland and Washington, D.C., licenses. We determined that the IRS reduced the contractor's quarterly award fee in three quarters by a total of \$18,750. Specifically, the IRS reduced the "Supervision/Operations and Management" element, worth up to 30 percent of each \$25,000 quarterly award fee, as follows:

- 1st Quarter Fiscal Year 2002 – 30 percent reduction, or \$7,500.
- 2nd Quarter Fiscal Year 2002 – 30 percent reduction, or \$7,500.
- 3rd Quarter Fiscal Year 2002 – 15 percent reduction, or \$3,750.

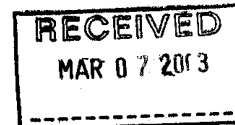
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Appendix V

Management's Response to the Draft Report



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224



March 7, 2003

MEMORANDUM FOR GORDON C. MILBOURN III
ACTING DEPUTY INSPECTOR GENERAL
FOR AUDIT

FROM: Gregory D. Rothwell *Gregory D. Rothwell*
Deputy Chief, Agency-Wide Shared Services

SUBJECT: TIGTA Draft Audit Report #2002-10-023: "Improved Oversight Of The Guard Services Contract Is Needed To Ensure Compliance With Contract Terms and Conditions", dated February 7, 2003

I have reviewed your report and agree with your recommendations. Monitoring contractor compliance and overseeing contractual requirements are essential to ensure we receive services in accordance with the contract. To better monitor contractor compliance, the Contracting Officer's Technical Representative is conducting regular compliance audits and reporting noncompliance to the Contracting Officer for immediate action.

We will instruct Facility Management Offices to review guard service contracts at their respective locations to determine if similar issues exist and to take immediate corrective action when discrepancies are found. These offices will ensure that guard service contracts require contractors to acquire and maintain current licenses and certifications. Contract compliance reviews will be conducted annually.

Attached is our response to your recommendations. If you have additional questions, please call me at (202) 622-7500 or Ron Stephen, Director, Real Estate and Facilities Management Division at (202) 283-9400. For matters addressing audit follow-up, please call Greg Rehak at (202) 622-3702.

Attachment

Improved Oversight of the Guard Services Contract Is Needed to Ensure Compliance With Contract Terms and Conditions

RECOMMENDATION 1: The Chief, AWSS should perform additional monitoring of the contract to ensure the contractor is in compliance with all laws and contract terms and conditions.

ASSESSMENT: The contractor had not fulfilled the contractual requirement to maintain necessary licenses. We need to implement improved monitoring procedures and reviews of the contract.

CORRECTIVE ACTION: The Procurement Office has developed a new monitoring procedure to ensure the contractor complies with the contract. The Contracting Officer and Contracting Officer's Technical Representative (COTR) now review the contract annually using a checklist of task descriptions and deliverables.

COMPLETED: March 15, 2002

RESPONSIBLE OFFICIAL: Director, Real Estate and Facilities Management
Director, Procurement

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RECOMMENDATION 2: The Chief, AWSS, should consider changing the award fee plan to make compliance with all contract terms and conditions a prerequisite for the contractor's award fee eligibility.

ASSESSMENT: The contractor's performance was evaluated against an award fee plan. As a result of TIGTA advising IRS management of the expired license, we reduced the contractor's award fee by \$18,750.

CORRECTIVE ACTION: The current contract expires on September 30, 2003. We will structure the new guard services contract to focus on the contractor's overall performance based on the contract's terms and conditions. We will no longer include an award fee.

PROPOSED COMPLETION DATE: October 1, 2003

RESPONSIBLE OFFICIAL: Director, Real Estate and Facilities Management
Director, Procurement

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RECOMMENDATION 3: The Chief, AWSS, should coordinate all remedies with the United States Attorney's Office (USAO) and the OI regarding all appropriate legal actions.

ASSESSMENT: TIGTA presented the contractor's expired company licenses issue to the USAO for further evaluation and possible legal action. We have and will continue to provide any assistance for information or documentation that is required by either the USAO or TIGTA. This has been an on-going effort to support their respective legal and operational reviews of our contract guard services.

CORRECTIVE ACTION: As the USAO pursues legal remedies through the U.S. District Court, Baltimore, AWSS will continue to provide assistance, information or documents supporting the governments efforts. It is anticipated that legal remedies will take approximately two years to resolve.

PROPOSED COMPLETION DATE: February 18, 2005

RESPONSIBLE OFFICIALS: Director, Real Estate and Facilities Management
Director, Procurement

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RECOMMENDATION 4: The Chief, AWSS, should ensure that all security guards have current individual certifications and permits. If security guards with expired certifications and permits are found, the Chief, AWSS, should not pay the contractor for the services provided by those individuals.

ASSESSMENT: We did not monitor the contract for status of certifications and licenses.

CORRECTIVE ACTION: The COTR revised the monthly employment listing format, submitted by the contractor, to include information that accurately identifies the status of required certifications and permits for each security guard. The Contracting Officer modified the contract to require the revised listing as well as a timeline for obtaining the certifications and permits. The COTR will monitor the monthly employment listings to ensure we do not pay for employees who do not meet contract requirements.

COMPLETED: March 4, 2003

RESPONSIBLE OFFICIAL: Director, Real Estate and Facilities Management
Director, Procurement