



Highlights of [GAO-06-16](#), a report to congressional requesters

## Why GAO Did This Study

In January 2005, the U.S. Office of Special Counsel (OSC) implemented a plan, in part, to address a backlog of pending cases. This report discusses actions related to the development of this plan, including whether required practices and procedures were followed in contracting for the services of a management consulting company and in hiring an intermittent employee as a consultant. Also, the report identifies avenues of redress available to OSC employees for filing prohibited personnel practice allegations against OSC, and other redress options that could be made available.

## What GAO Recommends

We recommend that the Director of ARC's Division of Procurement ensure that documents prepared by program offices are carefully reviewed for compliance with competition requirements. We also recommend that the Special Counsel put in place procedures to ensure that only authorized officials act as contracting officer's representatives. ARC and OSC agreed with our recommendations. However, OSC suggested several changes based on their concerns with other aspects of the report. We believe our report is accurate as written.

Congress should consider granting OSC employees alternative means of addressing prohibited personnel practice allegations when they involve the two top OSC officials.

[www.gao.gov/cgi-bin/getrpt?GAO-06-16](http://www.gao.gov/cgi-bin/getrpt?GAO-06-16).

To view the full product, including the scope and methodology, click on the link above. For more information, contact George H. Stalcup at (202) 512-9490 or [stalcupg@gao.gov](mailto:stalcupg@gao.gov).

# U.S. OFFICE OF SPECIAL COUNSEL

## Selected Contracting and Human Capital Issues

### What GAO Found

At OSC's request, the Administrative Resource Center (ARC), an office within the U.S. Department of the Treasury's Bureau of the Public Debt which provides OSC with contracting support for a fee, issued a \$140,000 sole-source task order for an organizational assessment to a consulting firm, Military Professional Resources, Inc. (MPRI). In doing so, several required steps were not taken:

- competition was not sought among Schedule vendors and there was no convincing demonstration of why a sole-source order was necessary.
- the determination of the reasonableness of MPRI's price was not documented, and
- OSC officials performed duties normally done by contracting officer's representatives without authorization or training and, further, performed other duties that should have been reserved for the contracting officer.

ARC officials told us they relied largely on OSC's input in justifying the sole-source order and determining MPRI's price to be reasonable and that they were unaware that the OSC officials had performed contracting-related duties. They told us that they are now paying particular attention to requests from their customers, including OSC, for sole-source orders. OSC officials said that they relied on ARC's expertise, as their contracting office, to ensure that proper contracting procedures were followed.

The tasks specified in the statement of work for the consultant that OSC hired as an intermittent employee and that he completed before his departure were consistent with Office of Personnel Management criteria for appropriate uses of expert and consultant appointments. The intermittent employee was tasked with two major lines of work related to efficiency and curriculum development. OSC management expressed confidence in the individual's qualifications and was within its discretion to both hire him and set his level of compensation.

While OSC employees, like other federal employees, are protected against prohibited personnel practices and may seek redress from OSC in making such allegations, this option becomes unworkable because of potential conflicts of interest when an OSC employee raises such an allegation of a prohibited personnel practice against either of the two top OSC officials. Two other federal agencies with redress roles, the Merit Systems Protection Board (MSPB) and the Equal Employment Opportunity Commission, have taken steps to address potential conflicts of interest when their own employees use their agency's respective redress processes. Steps could be taken to ensure that OSC employees have alternative avenues of recourse; for example, they could have an external investigation conducted through an independent body or broader appeal rights to the MSPB. OSC could not independently implement these options, and would need to be given authority to do so.