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**REVIEW OF MODIFICATIONS MADE TO  
THE PERFORMANCE-BASED TASK ORDER  
FOR INFORMATION TECHNOLOGY  
SUPPORT SERVICES**

**OIG Report No. 06-02**

**October 12, 2005**

## REVIEW OF MODIFICATIONS MADE TO THE PERFORMANCE-BASED TASK ORDER FOR INFORMATION TECHNOLOGY SUPPORT SERVICES

### EXECUTIVE SUMMARY

This audit assessed the appropriateness of modifications made to the contract task order awarded by National Archives and Records Administration (NARA) officials to acquire Information Technology Support Services (ITSS). The ITSS task order, consisting of a base year and four options, is a performance-based arrangement that contains both fixed-price and time-and-materials requirements. The period of performance extends from October 1, 2003, through September 30, 2008, and the total amount of the original task order was approximately \$52.08 million, if NARA exercises all four options<sup>1</sup>.

The purpose of this effort is to improve NARA's existing infrastructure, to include building a reliable, expandable, high-capacity, cost-efficient information technology and communications infrastructure. The task order requires the contractor to provide information technology support in a number of areas, including: program management; engineering; infrastructure and application design; applications; help desk; maintenance; network infrastructure; network security; systems requirements analysis; system design; system development; system install, integration, testing, and deployment; configuration management; telecommunications; installation testing and performance monitoring; multimedia systems; documentation; and technology studies.

Performance-based contracts have been around for over two decades and have long been identified as an effective way to acquire quality goods and services within available budgetary resources. They emphasize objective, measurable performance requirements and quality standards in developing statements of work, selecting contractors, determining contract type and incentives, and performing contract administration. The federal government has been promoting them as a way to achieve savings and obtain greater value while also pushing federal agencies to outsource more work to the private sector.

As of the completion of our review in April 2005, 12 modifications have been made to the ITSS task order. Of these, three modifications, totaling \$4,426,744, were made to the ITSS task order fixed-price requirements, without any change in the work to be performed by the contractor. The stated purpose of the three modifications was to provide additional contractor staffing for the following efforts: (a) \$165,074 for Oracle database support<sup>2</sup> and security support; (b) \$99,131 for Archival Research Catalog (ARC) support; and (c) \$4,162,539 for various support areas.

These three modifications did not adhere to the principles of the Federal Acquisition Regulation (FAR). Specifically, a firm-fixed-price contract provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. Under

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<sup>1</sup> As of the completion of our review, the total amount of the task order, including modifications, was approximately \$56.5 million

<sup>2</sup> The Oracle Corporation is the largest software company whose primary business is database products. A *database* is a collection of information organized in such a way that a computer program can quickly select desired pieces of data.

this type of contract, the contractor is expected to earn a profit, but the profit is not guaranteed. Even if a loss is incurred, the contractor is required to perform the contract.

As a result of these modifications, NARA was inappropriately obligated to incur over \$4.4 million for IT support expenses that should have been borne by the contractor.

We recommended that management:

- take action [DELETED] against those [DELETED] officials who mismanaged the ITSS task order, resulting in unnecessary government expenditures for IT support services;
- direct the ITSS task order contracting officer to consider seeking restitution of the monies already paid to the contractor under those modifications;
- issue guidance to contracting personnel stating that the prices of contract efforts performed under firm-fixed-price arrangements are not to be increased without a corresponding, documented change in requirements;
- direct the Contracting Officer's Representative for the ITSS task order to take no further action, either directly or indirectly, that could result in a change in the cost/price, quantity, quality, place of performance, delivery schedule, or any other terms or conditions of the task order, or the accomplishment of effort which would exceed the scope of the task order; and
- develop and implement written policy dictating the procedures to be followed by the General Counsel when reviewing contractual actions for legal sufficiency..

The Review of Modifications Made to the Performance-Based Task Order for Information Technology Support Services is the fourth area completed as part of our audit of the management and operation of NARA's computer network.<sup>3</sup> Other reports issued for this audit include (1) Audit Report No. 04-22, Review of NARA's Administration of the Information Technology Support Services Contract Award Fee, September 21, 2004; (2) Audit Report No. 05-05, Review of the Management and Operation of NARA's Help Desk, February 23, 2005; and (3) Audit Report No. 05-10, Review of NARA's Information Technology Investment Management Decide Process Accomplished for the Novell Software Upgrade Project, March 30, 2005. As each of the other audit areas included in the audit is completed, we will issue a separate report containing the results of the review of that area.

Relevant information, developed by the auditors, related to this effort was formally referred to the OIG Investigative Unit for appropriate action.

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<sup>3</sup>The purpose of the network management and operation audit is to determine if: (1) the contractor is managing and operating the computer network in accordance with the terms of its contract with NARA; (2) subcontractors are adequately performing their duties and responsibilities related to the operation and management of NARA's computer network; and (3) the COR is adequately performing the contract responsibilities delegated by the Contracting Officer.

## BACKGROUND

The Office of Federal Procurement Policy (OFPP) Letter 91-2, Service Contracting, April 9, 1991, established the policy of utilizing a performance-based approach to service contracting. Performance-based contracting emphasizes that all aspects of an acquisition be structured around the purpose of the work to be performed as opposed to the manner in which the work is to be performed or broad, imprecise statements of work that preclude an objective assessment of contractor performance. It is designed to ensure that contractors are given freedom to determine how to meet the government's performance objectives, that appropriate performance quality levels are achieved, and that payment is made only for services that meet these levels.

According to FAR, Subpart 37.6, Performance-Based Contracting, performance-based contracting methods are intended to ensure that required performance quality levels are achieved and that total payment is related to the degree that services performed or outcomes achieved meet contract standards. Performance-based contracts or task orders (1) describe the requirements in terms of results required rather than the methods of performance of the work; (2) use measurable performance standards (i.e., in terms of quality, timeliness, quantity, etc.) and quality assurance surveillance plans; (3) specify procedures for reductions of fee or for reductions in the price of a fixed-price contract when services are not performed or do not meet contract requirements; and (4) include performance incentives where appropriate.

When preparing statements of work, agencies shall, to the maximum extent practicable (1) describe the work in terms of "what" is to be the required output rather than either "how" the work is to be accomplished or the number of hours to be provided; (2) enable assessment of work performance against measurable performance standards; (3) rely on the use of measurable performance standards and financial incentives in a competitive environment to encourage competitors to develop and institute innovative and cost-effective measures of performing the work; and (4) avoid combining requirements into a single acquisition that is too broad for the agency or a prospective contractor to manage effectively.

## OBJECTIVES, SCOPE, AND METHODOLOGY

The overall objective of our evaluation was to determine if modifications made to the ITSS contract task order were appropriate, and the modifications complied with, and were processed in accordance with, the Federal Acquisition Regulation (FAR) requirements.

To accomplish our objective, we reviewed provisions of the ITSS contract task order, the 12 modifications made to that task order, and the supporting documentation for each modification. The supporting documentation reviewed included: requisitions, purchase orders, contractor proposals, legal reviews, memoranda for record, etc. We also examined task order deliverables, including the contractor's monthly Program Status Reports.

To determine if the task order modifications complied with, and were processed in accordance with, FAR requirements, we reviewed the procurement guidance contained in FAR Subpart 37.6, Performance-Based Contracting; Subpart 16.2, Fixed-Price Contracts; and FAR Part 43, Contract Modifications. We also reviewed performance-based contracting guidance contained in OFPP

Report, Performance-Based Service Acquisition: Contracting for the Future, July 2003; and Seven Steps to Performance-Based Services Acquisition. We also examined OFPP Letter 91-2, Service Contracting<sup>4</sup>, April 9, 1991; and A Guide for Best Practices for Performance-Based Service Contracting<sup>5</sup>, October 1998.

We also interviewed responsible NARA officials and contractor officials, including the NARA Director of the Acquisitions Services Division (NAA) and the contracting officer for the ITSS task order, the COR for the ITSS task order, and contractor personnel, including the Program Manager (PM) for the task order.

Our audit work was performed at Archives II in College Park, MD. The evaluation, which began in February 2005 and completed in April 2005, was performed in accordance with generally accepted government auditing standards.

### **INFORMATION TECHNOLOGY SUPPORT SERVICES CONTRACT TASK ORDER MODIFICATIONS**

The performance-based ITSS task order is a combination fixed-price-award-fee (FPAF)<sup>6</sup> and time-and-materials (T&M)<sup>7</sup> arrangement. The operations management tasks are funded on a fixed-price basis and the remaining tasks are funded on a T&M basis. The T&M efforts are assigned, as requirements become known, using Technical Direction Letters (TDLs). For the fixed-price line items, the task order contains a provision for an award fee to be paid to the contractor, based on periodic evaluation of the contractor's performance against an award-fee plan.

As of the completion of our review, 12 modifications<sup>8</sup> were made to the ITSS contract task order. Seven modifications (P0001, P0002, P0004, P0005, P00010, P00011, and P00012) were unilateral modifications. *Unilateral modifications* are changes to a contract signed only by the contracting officer. This type of modification is used to: make administrative changes that are minor and administrative in nature and do not materially affect contract performance; issue change orders that are actual issuances of a change authorized by the Changes clause in the basic contract; and make changes authorized by other contract clauses that may include: issuance of a stop-work order, issuance of a termination order, or exercise of an option.

The other five modifications (P0003, P0006, P0007, P0008, and P0009) were bilateral modifications, which are accomplished by mutual action of the involved parties. These

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<sup>4</sup> This Policy Letter was rescinded by Federal Register Notice, March 30, 2000.

<sup>5</sup> OFPP rescinded this Guide and encouraged agencies to use the *Seven Steps to Performance-Based Services Acquisition*.

<sup>6</sup> An *FPAF* contract is a fixed-price contract that contains an award fee provision, used to motivate a contractor when performance cannot be measured objectively.

<sup>7</sup> A *time-and-materials contract* provides for acquiring supplies or services on the basis of (1) direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit, and (2) materials at cost.

<sup>8</sup> A *contract modification* refers to any written change to the terms of a contract. There are two types of modifications: unilateral and bilateral.

modifications are signed by both the contractor and the contracting officer. Bilateral modifications are used to: make negotiated equitable adjustments resulting from the issuance of a change order; approve changes, such as economic price adjustments, required by a contract; and to reflect other agreements of the parties modifying the terms of the contract. Most bilateral modifications involve the negotiation of price, cost, and other terms of the contract.

### **NARA Officials Increased the Fixed-Price Contract Line Item Amounts without Sufficient Justification**

Three modifications made to the ITSS task order fixed-price line items did not adhere to the principles of performance-based services acquisition and the FAR. The stated purpose of the three modifications, totaling \$4,426,670, was to provide additional contractor staffing for the following efforts: (a) \$165,074 for Oracle database support and security support; (b) \$99,131 for Archival Research Catalog (ARC) support; and (c) \$4,162,539 for various support areas. However, the modifications did not contain a revised Performance Work Statement (PWS) that identified new requirements that necessitated a need for additional contractor staffing. The efforts alluded to - requiring additional contractor staff - constituted requirements found in the original task order PWS. Thus, we concluded that these modifications were inappropriate.

Firm-fixed-price contracts, by far the most common in government contracting, are suitable for acquiring commercial items, or for acquiring other supplies or services, on the basis of reasonably definite functional or detailed specifications, when the contracting officer can establish fair and reasonable prices at the outset, such as when there is adequate price competition. According to FAR, Subpart 16.202-1 – Description, “A firm-fixed-price contract provides for a price that is not subject to any adjustment on the basis of the contractor’s cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties.” Under this type of contract, the contractor is expected to earn a profit, but the profit is not guaranteed. Even if a loss is incurred, the contractor is required to perform the contract. In return for this rigidity, the fixed-price contract constrains the government from asserting control over the performance (except as specifically permitted), and any changes to the requirements may result in a claim for an “equitable adjustment” to the price. The contracting officer may use a firm-fixed-price contract in conjunction with an award-fee incentive when the award fee is based solely on factors other than cost. The contract type remains firm-fixed-price when used with these incentives.

Following are details related to these task order modifications:

a. **Task Order Modification No. 9 (P0009)** increased the price of the ITSS task order approximately \$4.16 million<sup>9</sup> without adding any new work requirements to the task order. The modification only increased the number of labor hours to be expended by the contractor for the task order fixed-price requirements in various support areas including: operations management;

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<sup>9</sup>The modification, which totals \$4,162,539.08, impacts the Base Year (\$1,178,246), Option Year 1 (\$1,506,192), and Option Year 2 (\$1,425,101.08).

Unix, NT, and Novell servers administration, operations, and maintenance; Help Desk; Project Support; Documentation; Asset Management; and Quality Management and Control.

According to a memorandum prepared by the [DELETED] and submitted to contracting officials, additional coverage was needed for various one-time projects that were needed at that time, and would continue into option year two of the task order. However, the [DELETED] was not able to identify the “various, one-time projects” that the contractor would perform under the modification. Also, the contractor performs one-time projects on a T&M basis, not fixed-price, under section 6.1, Technical Direction Letters, of the work statement. Under the provisions of this section, “The Government reserves the right to assign tasks within the scope of the PWS, as requirements become more definable, to support the efficient operation and enhancement of NARA infrastructure using existing and emerging technologies.”

In addition to describing a need for one-time projects, the memorandum further stated that the [DELETED] did not anticipate the need for additional coverage at the time of the task order award because [DELETED] had intended to purchase, separate from the task order, several automation tools, e.g., configuration management and network monitoring tools, which would allow NARA to maintain operations with less staffing. However, NARA could not procure these tools as quickly as [DELETED] had intended and, therefore, additional coverage became necessary. A review of the work statement, section 9.15 – Network Testing and Performance Monitoring – revealed that the contractor was already tasked to “... plan and conduct network and system performance monitoring to include defining the baseline system; preparing a monitoring plan; identifying, acquiring, and installing performance monitoring tools; and instructing designated NARA personnel on the use of installed monitoring tools.” In addition, the ITSS task order did not specify that NARA would provide these monitoring tools as “government furnished property.”<sup>10</sup>

The [DELETED] stated that another purpose for modification number 9 was to add support for additional IT systems that were not included in the original task order requirements. However, neither the modification document nor the documentation supporting the modification mentioned a need for contractor support for additional IT systems.

Our review of this modification also revealed that it was not accomplished in accordance with FAR requirements. Specifically:

(1) NHT officials, not the contractor officials, approached contracting officials to request an increase in the ITSS task order labor hours. Normally, any changes to contract requirements result in a claim by the contractor for an “equitable adjustment” to the contract price.

(2) According to the [DELETED], [DELETED] prepared the descriptions of the additional effort required and the labor hour estimates for the modifications, with “recommendations” made by contractor officials. However, the [DELETED] could not provide any documentation that supported how NHT officials estimated the labor hour increases needed. For example, the modification augmented program management support by 996 hours, clerical

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<sup>10</sup> *Government-furnished property* means property in the possession of, or directly acquired by, the Government and subsequently made available to the contractor.

staff support by 5,832 hours, senior IT specialist support by 9,600 hours, etc., but there was no documentation available that showed how NARA officials arrived at the estimated hours.

(3) Rather than identifying new work requirements in a revised work statement and allowing the contractor to estimate the additional staffing and hours needed to accomplish those requirements, NHT officials dictated the exact increase in the number of labor hours to be added to the task order. The planned changes to the task order work requirements should have been identified in a revised statement of work prepared by government officials and submitted to the contractor who would prepare a proposal to accomplish the new contract requirements. Then, any increase in the task order amount should be negotiated by the government and the contractor. This did not happen. Instead, NH officials dictated the increase in the number of labor hours to be provided by the contractor, based on labor hour estimates “jointly” developed by NARA officials and contractor officials.

b. **Task Order Modification No. 7 (P0007)** inappropriately increased the price of the task order by approximately \$165,000 to cover additional contractor staffing needed for Oracle database administration<sup>11</sup> support and Security support, for the period June 1, 2004, through September 30, 2004.<sup>12</sup> However, this modification should not have been issued because, under the original task order PWS, the contractor was already responsible for satisfying these requirements, and the contractor planned to fill the additional positions alluded to in the modification with several employees who were already working on the contract at the time of the task order modification. Contractor officials requested the modification, explaining that (a) because of increasing Oracle database requests, and (b) given the increasing security threats to enterprise systems industry-wide, and the government’s increasing emphasis on adequate protections for federal information systems, the ITSS team responsibilities had grown significantly.

c. **Task Order Modification No. 8 (P0008)** defined additional staffing for Archival Research Catalog (ARC) support, which inappropriately increased the task order price by \$99,131 for the period June 1, 2004, through September 30, 2004.<sup>13</sup> The task order price was increased even though no new work requirements were added to the task order, i.e., the modification only increased the number of labor hours to be expended by the contractor. Contractor officials performed an analysis of the support requirements for the ARC application and concluded that the requirements far exceed those for typical application support, and that the application was scheduled to undergo several major releases before the end of the fiscal year. According to the analysis, given ARC’s complexity and the number of servers involved, these releases would require extensive support and manpower. However, we found that the contractor is only required to maintain the hardware and the hardware operating system. Another contractor, the vendor from whom NARA purchased the application software, is responsible for actually maintaining and updating the software.

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<sup>11</sup> *Database administration* includes responsibility for developing and maintaining an organization’s data dictionary, designing and monitoring the performance of databases, and enforcing standards for database use and security.

<sup>12</sup> We found no explanation as to why additional support was required for only four months, but not for effort remaining on the ITSS task order through option year four.

<sup>13</sup> We found no explanation as to why additional support was required for only four months, but not for effort remaining on the ITSS task order through option year four.



Modifying the ITSS task order to acquire additional staffing without any corresponding increase/change in the task order requirements violates FAR provision, Subpart 16.202-1, Description, which states that “A firm-fixed-price contract provides for a price that is not subject to any adjustment on the basis of the contractor’s cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss.” In addition, modifications adding additional labor hours to performance-based, fixed-price requirements are not in the best interests of the government, because the government must pay the contractor for all the hours added to the contract through the modification, even if it expends fewer hours.

In our opinion, the following factors contributed to NARA officials making inappropriate modifications to the ITSS task order:

a. The contractor may either have under-bid or under-estimated the number of hours required for the fixed-price portion of the contract work. The government’s Proposal Evaluation Team noted that the contractor “is proposing a significantly less total number of hours for the fixed-price portion of the work than the Government estimated.” The contractor responded that it had carefully examined its calculations and felt confident that the proposed number of hours was realistic for the work to be performed.

b. [DELETED] violated tenets of performance-based service contracting and the FAR by adding tasks and requirements on a regular basis and recommending that the contractor hire additional staff. According to documentation provided by contractor officials, “[DELETED] is treating this outsourced, firm-fixed-price contract as if it is time-and-materials. [DELETED] does not allow SRA to have any control over personnel, schedule, and tasking.” The contractor-supplied documentation also disclosed that the contractor’s Program Manager for the ITSS task order raised the funding and execution concerns associated with keeping up with the constant requests in a firm-fixed-price environment.

c. [DELETED] explained that [DELETED] (1) was not a “technical” person and had to rely on people with the expertise, i.e., [DELETED], to ensure that proposed modifications were appropriate; (2) had questioned the need for the modification, but was convinced by [DELETED] that the modification was necessary; (3) was responsible for several contracts and, therefore, did not have time to devote a lot of attention to any one contract; (4) usually relied on the contract specialists to perform the actual work on the contract; and (5) the official contract file for modification number 9 was insufficient. [DELETED] also said that [DELETED] should have reviewed the modification and the supporting documentation more closely.

d. Based on review of a contractor-prepared document and an interview with a NARA official, we learned that, in a meeting with contractor officials, [DELETED] asked the Director of the Information Technology Services Division<sup>14</sup> to “make SRA whole” financially. According to documentation reviewed, “This implied that the Director was to provide the funds to cover the additional staff, retroactive to January 2004.” When asked about this comment, [DELETED] replied that [DELETED] did remember attending a meeting during which task

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<sup>14</sup> [DELETED]

order funding issues were discussed, but [DELETED] was unable to recall specific details of that meeting. Subsequent to the completion of our review, [DELETED] provided additional details concerning the comment. According to [DELETED], “While I do not recall using the words ‘make SRA whole,’ I do recall the essence of a conversation I had with [DELETED] and SRA management about work we were tasking SRA to do or that we needed them to do, that may have been outside the scope of the fixed-price portion of our contract. And while I do not recall the exact words I used, the direction I gave [DELETED] was: if we are asking SRA to perform tasks outside the scope of the fixed-price portion of our contract, and we really need those tasks to be performed, then to be fair, we should modify the contract accordingly.”

e. Inadequate legal reviews of proposed task order modifications nos. 7 and 9 were performed by NARA/NGC.<sup>15</sup> Legal reviews are conducted to determine if the procurement package is legally sufficient. A sufficient legal review would have revealed that the proposed modification did not result in changes to the work required by the original task order. The following factors may have contributed to the inadequate legal reviews: (1) NGC has no documented policies and procedures for conducting legal reviews of procurement actions; (2) an attorney conducted the legal review whose expertise is not procurement; and (3) there may have been no supporting documentation delivered with the proposed modification document. Review of policies and procedures utilized by other federal government agencies revealed the following:

(1) U.S. Department of the Interior guidance requires that documentation submitted for legal reviews of procurement actions include, but not be limited to (a) the proposed modification, (b) contractor’s proposal for modified work, (c) the government estimate for performing the modified work, (d) negotiation memorandum, (e) all justifications for entering into the modification, and (f) any audits or waiver of audits.

(2) The Department of Veterans Affairs Acquisition Regulation requires that, for contract modifications, the following documentation be submitted for legal review: (a) a draft of the proposed modification; (b) a statement describing the need for the changed work; (c) a statement containing an analysis on what necessitated the modification; (d) the Contracting Officer’s Technical Representative (COTR) technical evaluation of the proposed change; (e) costing information (contractor’s cost proposal, COTR’s independent cost evaluation, price negotiation memorandum, and any other relevant cost information); and (f) a concurrence on the memorandum from the appropriate office indicating that funds are available.

As a result of making inappropriate modifications to the task order fixed-price requirements, unless remedial action is taken, NARA will spend at least \$4,426,744 for information technology support services expenses that should have been borne by the contractor.

**Recommendation 1.** The Archivist of the United States (N) should consider taking appropriate action [DELETED] against those NARA officials who mismanaged the ITSS task order, resulting in unnecessary government expenditures for IT support services.

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<sup>15</sup> Modification no. 8, which totaled \$99,131, did not require a legal review. NARA 501, *NARA Procurement*, requires NGC to review all contract awards or modifications exceeding \$100,000, modifications exceeding 20 percent of the total contract value, and any other contractual actions requested by the contracting officer.

### **Management Response**

The Archivist informed the OIG that he would conduct an investigation to determine the appropriate action to be taken. His investigation is still ongoing.

**Recommendation 2.** The Director of the Acquisitions Services Division (NAA) should:

- a. task the ITSS task order contracting officer to consider seeking restitution of the monies already paid to the contractor under those modifications.
- b. issue guidance to contracting personnel stating that the prices of contract efforts performed under firm-fixed-price (FFP) arrangements are not to be increased without a corresponding, documented change in requirements.

### **Management Response**

Management concurred with our recommendation and agreed to take corrective action.

**Recommendation 3.** The Assistant Archivist for Human Resources and Information Services (NH), in conjunction with the task order contracting officer, should direct the Contracting Officer's Representative (COR) for the ITSS task order to take no further action, either directly or indirectly, that could result in a change in the cost/price, quantity, quality, place of performance, delivery schedule, or any other terms or conditions of the task order, or the accomplishment of effort which would exceed the scope of the task order.

### **Management Response**

Management concurred with our recommendation and initiated corrective action prior to the issuance of this report.

**Recommendation 4.** The General Counsel (NGC) should develop and implement written policy dictating the procedures to be followed when reviewing contractual actions for legal sufficiency.

### **Management Response**

Management concurred with our recommendation and agreed to take corrective action.

### **OIG Response to Management Comments Concerning Contracting Staff Shortages**

In their response, management officials indicated that the report's findings resulted, in part, from a shortage of NAA contracting personnel. According to them, the findings represent the way business could be done in a normal contractual and information technology environment where adequate staffing resources and sufficient time are available. They commented that it would be beneficial for the OIG to take into consideration the shortage of contracting employees, based on

the following:

a. Because of the continuing shortage in NAA contracting staff, [DELETED], in addition to all of [DELETED] regular responsibilities, had to take on the additional responsibility of signing all awards and modifications on approximately 60 Interagency Agreements, 38 utility orders, and 15 complex contracts, including the ITSS task order. [DELETED] also signed award documents for other contract specialists when their team leaders were unavailable. In an attempt to keep up with this unmanageable workload, [DELETED] had to work long days, including weekends. Given the situation and [DELETED] workload, [DELETED] relied heavily on [DELETED] decision to award the modifications. In retrospect, [DELETED] agrees that [DELETED] should have reviewed the documents more closely. While the excessive workload and pressure to award the modifications are not an excuse, they are mitigating circumstances that have to be considered.

b. NAA's staff shortages also resulted in team leaders having to do contract specialist work in addition to their normal duties of reviewing and signing awards for their acquisition teams. The effect of the heavy workload resulted in pressure to resolve issues and make decisions on awards in less than the optimal time needed to keep NARA programs going.

We empathize with management's position. However, our review did not include an assessment of the adequacy of the number of NARA's contracting personnel. In any event, the shortage of resources and/or available time for processing procurement actions are insufficient reasons, in our opinion, for not adhering to FAR requirements or for not adequately protecting government interests and NARA's limited budget resources.