

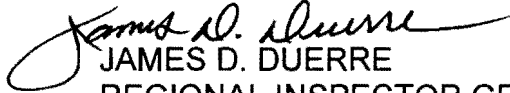
U.S. GENERAL SERVICES ADMINISTRATION  
Office of Inspector General

---

February 3, 2011

MEMORANDUM FOR KELLEY HOLCOMBE, JR.  
ACTING REGIONAL COMMISSIONER  
FEDERAL ACQUISITION SERVICE (4Q)

FROM

  
JAMES D. DUERRE  
REGIONAL INSPECTOR GENERAL FOR AUDITING  
SOUTHEAST SUNBELT REGION (JA-4)

SUBJECT                    Audit Memorandum: Review of Task Order 4QAG75109425R  
Funded by the American Recovery and Reinvestment Act  
(ARRA) of 2009, Memorandum Number A110024-2

### Background

On September 13, 2010, the Southeast Sunbelt Region, Federal Acquisition Service, Assisted Acquisition Services (AAS) awarded an ARRA-funded firm fixed price task order (4QAG75109425R), valued at \$320,345 for a base period of September 14, 2010 through December 13, 2011. The task order provided non-severable services to the San Antonio Metropolitan Health District for the development of an immunization system with an operating environment that was secure, highly available and reliable, and utilized by trained staff.

### Finding

We found that ARRA-funded task order 4QAG75109425R was inappropriately funded and awarded because the task order was incrementally funded at time of contract award. According to 23 Comp. Gen. 370, 371 (1943), non-severable task orders must be fully funded at time of contract award. The client agency only provided AAS \$330,000, when the task order total was \$352,379.50 (\$320,345 plus 10 percent fee).

In response to our findings related to task order 4QAG75109425R, AAS obtained additional FY2010 funds from the client agency to fully fund the task. In addition, AAS plans on: (1) enhancing internal controls on task order award procedures; and (2) providing additional training to its contracting staff.

### Conclusion

We have no formal recommendations since AAS has taken corrective actions.