



Memorandum

Office of the Inspector General

TO: James H. Billington
Librarian of Congress

August 19, 2004

FROM: Karl W. Schornagel
Inspector General

Handwritten signature of Karl W. Schornagel

SUBJECT: Assessment of the Library's Contracting Office

During June and July 2004, we conducted a brief follow-up to prior reviews of the Contracting Office. We interviewed personnel in the Contracting Office; Office of the Librarian; Congressional Research Service (CRS); Copyright Office; Library Services, including NLS/BPH; Office of Strategic Initiatives; Office of the Chief Financial Officer (OCFO); Integrated Support Services, including Facility Services; and the Office of Investigations. In addition, we interviewed former Contracting Office staff, and analyzed procurement and budget data. We conclude that the Contracting Office does not fully meet the Library's needs as it currently functions. Our conclusion is based on the following:

- The Contracting Office lacks adequate staffing. Since FY 2000, staffing has gone from 12 to 7 contract specialists. More significantly, the Contracting Office has lost four of its most experienced contract specialists. The departed specialists processed the bulk of complex contract actions and accounted for the core of contracting expertise. Some temporary personnel and contractors have been hired in the past year as stopgap measures, but these individuals do not have the depth of expertise needed. The customers we interviewed pointed to Contracting Office staffing as their top concern.

Table with 6 columns: Grade, 2000, 2001, 2002, 2003, 2004. Rows include GS 14, GS 13, GS 12, GS 11, Total, and Contractors.

- Notwithstanding the fact that some of the contract specialists are degreed individuals, they are insufficiently trained in contract-specific critical skills and lack experience. In its policy letter 92-3, the Office of Federal Procurement Policy states, "the quality of contracting actions depends largely on the professional skills of the Government procurement workforce..." We reviewed the training records of the current contract

1 Includes one temporary employee.

specialists and found that they lacked critical training identified by the Federal Acquisition Institute's "Contract Specialist Training Blueprint." Most notably we found no training in the areas of marketplace analysis, building and managing relationships, and skills in effectively operating in a customer-oriented environment. Mentioned often by Contracting Office customers was the lack of contracting acumen. Customers stated that the lack of adequate training and experience adversely affects their ability to accomplish mission needs. Current contract specialists also recognize the need for more training in contract-specific critical skills.

- In an informal survey conducted during our interviews for this review, Contracting Office customers rated the Library's contracting function below the satisfactory level. The average performance rating was "2" on a scale of 1 to 5, with 1 being "least satisfied." Customers cited timeliness issues, not attending critical meetings, non-responsiveness to questions, inability to provide basic contract services, superfluous questions that delay the contracting process, and vendor complaints as the basis for the low customer service ratings. In the Library-wide surveys conducted by our office, the Contracting Office declined eight percentage points in customer satisfaction between 2002 and 2003.
- For other than basic procurement actions, service units are funding their own dedicated contract specialists and going outside the Library for help. The OCFO has funded one contract specialist. CRS and ITS are partnering to fund another contract specialist to meet mission-critical IT needs. Both offices stated that the Contracting Office does not have the capacity to manage large and complex contracts. CRS, Copyright, and NLS/BPH are using General Services Administration contracting vehicles such as the Federal Systems Integration and Management Center, Safeguard, and government-wide contracts due to a lack of confidence in the Library's capacity to administer large and complex acquisitions. As a result, the Library is spending large sums of money for fees associated with using external contracting vehicles. CRS, for example, told us that it had spent \$443,800 in FY 2001 through 2004 on these fees. This money could be put to better use by redirecting it to core mission activities.
- There is also a lack of leadership in the Contracting Office. The Acting Chief, a temporary employee, is generally thought of as knowledgeable, however, several customers believe he should be taking a much more active role in managing the office. All of the customers we interviewed directed specific comments toward the Supervisory Contract Specialist. Customers stated that he is an "obstacle" and a "roadblock" to their critical mission needs. Several offices cited telephone calls and e-mails that go unanswered, missed meetings, and the need to follow up in order to get a response as major impediments to effective customer service. Former Contracting Office employees stated that the Supervisory Contract Specialist was a major reason for their leaving the Office. Notwithstanding his seemingly rote recitation of the Federal Acquisition

Regulation, some interviewees openly questioned his knowledge of the mechanics of the acquisition process.

Customers also commented on the lack of continuity in Contracting Office leadership. For over three years, the Contracting Office has been without a permanent Chief, which perpetuates ineffective leadership. We reported management and personnel issues in a September 18, 2002 memorandum that are still unresolved. We noted in a March 10, 2003 memorandum to you that the head of the contracts and grants management area and Chief of the Contracting Office positions were vacant. We recommended filling these vacancies as soon as possible because of the adverse affect the vacancies could have on Library operations. The Contracting Office Chief position is currently being filled. The management position over contracting and grants should also be a priority, as well as contract specialist positions.

Contract Specialists sit in the center of a multi-pronged acquisition process, with stakeholders distributed across federal agencies as well as within and outside the federal government.² The Library has multiple service units crossing many functional areas. It is essential to maintain a customer-oriented contracting office to meet this diverse array of needs. A successful acquisitions function requires a fresh, results-oriented view of the process with acquisition professionals serving as business advisors to their respective agency stakeholders.³ Customers stated that the Contracting Office is not up to date on the current acquisition environment and needs an infusion of fresh ideas and personnel. The absence of these key attributes has led to a steady decline in the Contracting Office's ability to support the Library's critical mission needs. The deficiencies must be addressed without delay.

We appreciate the cooperation extended by Library staff during this review. If you have any questions or if you would like to discuss these issues further, please let me know.

cc: DeputyLibrarian
Chief of Staff

² Federal Acquisition Institute, Contract Specialist (CS) Training Blueprint (formerly called the "Contract Specialist Workbook"), p. 5.

³ Ibid, p. 6.