

# Spotlight

Department of Homeland Security



## Office of Inspector General

January 2012 OIG-12-37

### Why This Matters

Contracts awarded through other than full and open competition, or noncompetitively, present a high risk to the government. Last year, the Department spent \$929 million on contracts awarded without competition. The Competition in Contracting Act of 1984 encourages competition to the maximum extent practicable, but federal acquisition regulations allow for exceptions to competition in limited circumstances.

When awarding contracts under these circumstances, acquisition personnel must be sure to document and support noncompetitive contracting decisions to provide evidence that the Department supports competition and takes steps to do business with eligible and responsible vendors.

### DHS Response

DHS concurred with the two recommendations in the report and included plans for increasing acquisition management oversight of acquisition planning and consideration of contractor past performance.

We concur with the Department's plans to: issue additional guidance to Department acquisition personnel emphasizing current requirements to document advance acquisition plans; revise guidance to require additional evidence of past performance checks; and update checklists used to measure compliance with these requirements.

### For Further Information:

Contact our Office of Public Affairs at (202)254-4100, or email us at [DHS-OIG.OfficePublicAffairs@dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@dhs.gov)

## DHS Noncompetitive Contracts Awarded During Fiscal Year 2011

### What We Determined

Acquisition personnel are required to document and support justifications and approvals, market research, acquisition planning, and consideration of contractor past performance when awarding contracts noncompetitively, or through other than full and open competition. Our review of 40 contract files, with a reported value of more than \$731 million, showed that DHS continued to show improvements during FY 2011 with documenting support for noncompetitive contracting decisions. The Department improved acquisition management oversight by strengthening its guidance and completing reviews of the components to validate compliance with its guidance. We previously reviewed noncompetitive contracting at DHS for contracts awarded during FYs 2008, 2009, and 2010, and noted that deficiencies with documentation for justification and approval, market research, acquisition planning, and past performance declined over this 3-year period.

However, acquisition personnel did not always include sufficient evidence in the noncompetitive contract files we reviewed and the Department needs to improve acquisition management oversight of documentation and support for noncompetitive contracting decisions.

### What We Recommend

Department of Homeland Security Chief Procurement Officer:

- 1) Increase acquisition management oversight to ensure that DHS acquisition personnel are following policies for placing evidence of advance acquisition plans in the contract file.
- 2) Increase acquisition management oversight to ensure that DHS acquisition personnel place evidence in the contract files that they checked the Federal Awardee Performance Integrity Information System as required by the FAR.