

Spotlight

Department of Homeland Security



Office of Inspector General

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Why This Matters

Contracts awarded through other than full and open competition, or noncompetitively, present a high risk to the Government. For fiscal year (FY) 2012, the Department obligated \$389 million for 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 recommendation in the report and included plans for increasing acquisition management oversight for consideration of contractor past performance.

We concur with the Department's plans to: issue a DHS-wide Regulatory Reminder to acquisition personnel regarding HSAM 3009.105-2; update the contracting activity oversight review checklist to include this HSAM requirement; and update the HSAM to reflect the name change from EPLS to the System of Award Management once the Federal Acquisition Regulation (FAR) is updated.

For Further Information:

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

DHS Contracts Awarded Through Other Than Full and Open Competition During FY 2012

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 \$174 million, showed that the Department continued to improve its management oversight of acquisition personnel's compliance with policies and procedures. However, these personnel did not always document their consideration of vendors' past performance when researching background on eligible contractors. As a result, the Department cannot be assured that acquisition personnel always awarded government contracts to eligible and qualified vendors as required.

We previously reviewed noncompetitive contracting at DHS for contracts awarded during FYs 2008 through 2011, and found that the Department continued to improve its management oversight by strengthening its guidance and completing reviews of the components to validate its compliance with the guidance.

What We Recommend

Department of Homeland Security Chief Procurement Officer:

Ensure that acquisition personnel document in the contract files that they checked information on vendors' past performance in the Excluded Parties List System, Federal Awardee Performance and Integrity Information System, and Past Performance Information Retrieval System before awarding noncompetitive contracts, as required by the FAR and the Homeland Security Acquisition Manual.