



UNITED STATES CAPITOL POLICE OFFICE OF INSPECTOR GENERAL

Assessment of the United States Capitol Police Contractor Performance Monitoring

Report Number OIG-2019-03

November 2018

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OFFICE OF INSPECTOR GENERAL

PREFACE

The Office of Inspector General (OIG) prepared this report pursuant to the Inspector General Act of 1978, as amended. It is one of a series of audits, reviews, and investigative and special reports OIG prepares periodically as part of its oversight responsibility with respect to the United States Capitol Police (USCP) to identify and prevent fraud, waste, abuse, and mismanagement.

This report is the result of an assessment of the strengths and weaknesses of the office or function under review. Our work was based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

We developed our recommendations based on the best knowledge available to OIG and discussed in draft with those responsible for implementation. It is my hope that the recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to those contributing to the preparation of this report.

Michael A. Bolton,
Acting Inspector General

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Abbreviations and Acronyms

Contracting Officer	CO
Contracting Officer's Representative	COR
Calendar Year	CY
Federal Acquisition Institute	FAI
Federal Acquisition Regulation	FAR
Government Accountability Office	GAO
Office of Acquisition Management	OAM
Office of Inspector General	OIG
United States Capitol Police	USCP or the Department

EXECUTIVE SUMMARY

Government agencies rely on contractors to perform a broad array of activities needed to meet their missions. Therefore, complete and timely information on the past performance of a contractor is critical for ensuring the Government does business with companies delivering quality goods and services on time and within budget. The *Federal Acquisition Regulation* (FAR), dated March 2005, generally requires that agencies document contractor performance on contracts or orders that exceed certain dollar thresholds and make that information available to other agencies through a shared Government-wide database.

United States Capitol Police (USCP or the Department) Directive [REDACTED] dated August 1, 2018, states "it is the policy of the USCP to follow the FAR as guidance in the procurement of goods and services under this Directive unless a deviation therefrom is determined to be in the best interest of the USCP."

In accordance with our *Annual Performance Plan Fiscal Year 2018*, dated October 2017, the Office of Inspector General (OIG) assessed USCP monitoring of contractor performance. OIG objectives were to (1) determine if the Department had a program for monitoring contractor performance, (2) evaluate the accuracy and completeness of contractor performance data, and (3) assess USCP compliance with the monitoring program. Our scope included program policies in effect as of August 31, 2018, and data from calendar years 2017 and 2018.

The Department did not have a documented policy for monitoring contractor performance. Although the Department had elements of a monitoring program, no documented program was in place. Without a documented program, OIG could not evaluate the accuracy and completeness of contractor performance data or assess monitoring of the program. Although the Department collected some performance data, written procedures did not exist, which meant that data were not completely or consistently collected. Contractor performance data included annual contractor performance reports and training records of USCP employees responsible for the successful monitoring of contractors. The Office of Acquisition Management (OAM) did not have a reliable process for ensuring the accuracy and completeness of the performance reports or training records. USCP did not have a documented methodology for collecting, validating, and reporting data about contractor performance. OIG measured USCP compliance using the FAR. USCP was not, however, in complete compliance.

On November 13, 2018, OIG provided a draft report to Department officials for comment and conducted an exit conference on December 13, 2018. We incorporated the Department's comments as applicable and attached the response to the report in its entirety in Appendix B.

Background

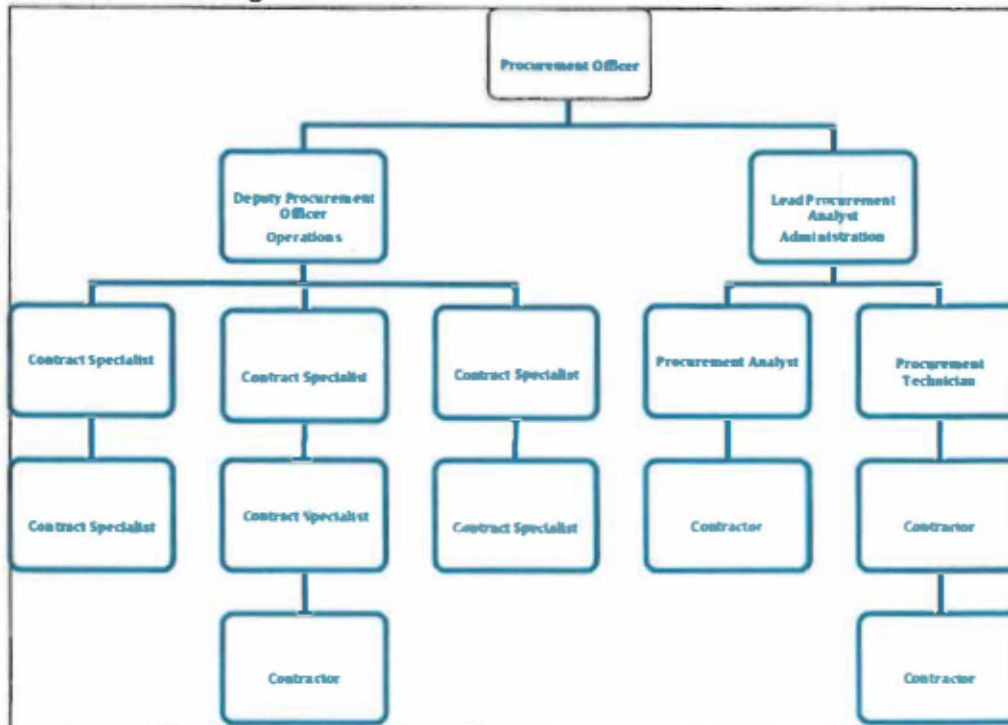
The acquisition workforce for the United States Capitol Police (USCP or the Department) is the Office of Acquisition Management (OAM). OAM consists of contracting officers (COs), contract specialists, and procurement analysts. Also instrumental in the acquisition process are contracting officer's representatives (CORs). A COR administers the contract to ensure that the contractor complies with the requirements. Short and long-term human capital strategic planning for training, competency fulfillment, career development, accession, recruitment, and retention are components of a successful acquisition workforce.

When selecting contractors for most competitive procurements, the Federal Acquisition Regulation (FAR) generally requires that agencies consider past performance as a factor. During source selection, contracting officials often rely on various sources of past performance information, such as the performance of a prospective contractor on prior Government or industry contracts and for similar past performance efforts. In completing evaluations, the assessing official rates the contractor on elements such as quality of the product or service, schedule, cost control, management, and small business utilization.

The Government Accountability Office (GAO) continues to identify federal acquisitions as a challenge to federal agencies. As recently as September 2018, GAO report—*Federal Acquisitions, Congress and the Executive Branch Have Taken Steps to Address Key Issues, but Challenges Endure*, GAO-18-627—recognizes contractor oversight as one of three key issues, with the corresponding weakness being acquisition workforce training. FAR Subpart 42.15-Contractor Performance Information, dated March 2005, 42.1502 Policy states that past performance evaluations must be prepared at least annually and at the time the work is under contract or order is completed. Just as important as performance data is in the selection of contractors, quality and effectiveness of the federal acquisition process depend on an acquisition workforce with the skills necessary to deliver the best value supplies and services, find the best business solutions, and provide strategic business advice to accomplish agency missions.

According to the Office of Management and Budget's Office of Federal Procurement Policy memo, *Revisions to the Federal Acquisition Certification for Contracting Officer's Representatives*, dated September 6, 2011, "Strengthening the acquisition workforce is critical to ensuring that the government gets the best value for the more than \$500 billion of goods and services it procures annually." As of August 22, 2018, OAM had 11 full-time staff members and 4 contractors. The organization chart in Exhibit 1 illustrates composition of the office—specifically identifying Procurement Officers, Procurement Analysts, Contract Specialists, Procurement Technician, and contractor support.

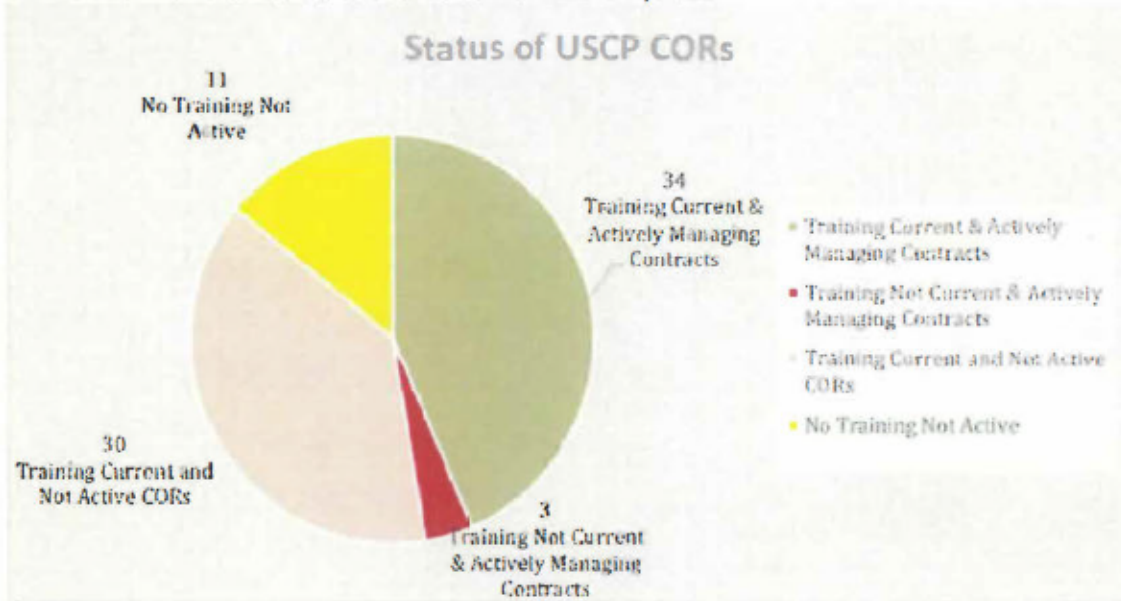
Exhibit 1 – OAM Organization Chart



Source: OAM

As of November 1, 2018, the Department had 78 CORs. Of those 78 CORs, 37 are actively managing contracts. And of the 37 CORs managing contracts, 3 had not met training requirements. See Exhibit 2 for the status of the 78 CORs.

Exhibit 2: Status of USCP CORs as of November 1, 2018



OAM documents indicate that as of September 4, 2018, 37 CORs were monitoring 109 USCP contracts. Table 1 shows the allocation of contracts by organization.

Table 1: Number of CORs per Organization and Contracts for each COR

Organization	Number of CORs	Number of Contracts per ORG	Average Number of Contracts per COR
Chief Administrative Officer	1	1	1
Employment Counsel	1	1	1
General Counsel	1	2	2
Office of Facilities and Logistics	4	20*	5
Office Financial Management	4	11	2.75
Office of Human Resources	2	14	7
Office of Information Systems	13	42	3.2
Operational Services Bureau	1	2	2.0
Protective Services Bureau	1	1	1.0
Security Services Bureau	6	11	1.8
Training Services Bureau	3	4	1.3
	37	109	2.9
* Note: 11 of the contracts for the Office of Facilities and Logistics are the same vendor			

Source: OIG generated using OAM data

OBJECTIVES, SCOPE, AND METHODOLOGY

OIG objectives were to (1) determine if the Department had a monitoring program for contractor performance, (2) evaluate the accuracy and completeness of contractor performance data, and (3) assess USCP compliance with the monitoring program. Our scope included program policies in effect as of August 31, 2018, and data from calendar years (CY) 2017 and CY 2018.

To accomplish our objectives, we interviewed USCP officials to gain an understanding of the Department's contractor performance monitoring program. We also reviewed the following laws, guidance, and industry best practices:

- USCP Directive [REDACTED] dated August 1, 2018
- GAO, *Federal Acquisitions, Congress and the Executive Branch Have Taken Steps to Address Key Issues, but Challenges Endure*, GAO-18-627, September 2018
- *Guidance for the Contractor Performance Assessment Reporting System (CPARS)*, dated July 2018
- GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G, dated September 2014
- Office of Federal Procurement Policy, *Revisions to the Federal Acquisition Certification for Contracting Officer's Representatives*, dated September 6, 2011
- *Federal Acquisition Regulation*, dated March 2005

To determine if the Department had sufficient guidance, we assessed Department guidance alignment with laws and regulations pertaining to contractor performance monitoring. We interviewed officials to further our understanding of Department practices.

Department Directive [REDACTED] for [REDACTED] establishes policies and procedures for acquisitions performed and executed. According to the Directive, "It is the policy of the USCP to follow the FAR as guidance in the procurement of goods and services...."

Directive [REDACTED] identifies responsibilities for COs, the staff of OAM, purchase card holders, and CORs. To facilitate the responsibilities, the Directive outlines the USCP Procurement Training and Development Plan.

To evaluate whether the Department collected data on contractor performance, we reviewed the *Summary Report for Contractors Performance* for CY 2016 and CY 2017.

To assess administration of the Procurement Training and Development Plan, we reviewed the plan along with evidence of individual compliance with the plan. OIG tested documentation for compliance with the USCP Directive, the FAR, and best practices. As a legislative branch agency, the Department is only responsible for following Department Directives.

We conducted this assessment in Washington, D.C., from August through November 2018. We did not conduct an audit, the objective of which would be the expression of an opinion on Department programs. Accordingly, we do not express such an opinion. OIG did not conduct this assessment in accordance with generally accepted government auditing standards. Had we conducted an audit and followed such standards, other matters might have come to our attention.

On November 13, 2018, we provided a draft copy of this report to Department officials for comment. On December 13, 2018, we conducted an exit conference with Department officials. See Appendix A for a list of OIG recommendations. We incorporated Department comments as applicable and attached the response to the report in its entirety as Appendix B.

RESULTS

Overall, the Department did not have a program that documented the monitoring of contractor performance. As a result, the completeness and accuracy of the performance data and compliance with the program could not be determined. Other matters that arose during this review included OAM not having a documented Procurement Training and Development Plan and incomplete training records for OAM staff and CORs.

Program for Monitoring Contractor Performance

USCP did not have a program that documented the monitoring contractor performance. OAM performed only limited review, and those processes were not designed to create a repository of data for future USCP decision makers. In addition, Directive [REDACTED] does not include guidance facilitating collection of performance data. OAM could not provide any guidance that existed outside of the Directive. OAM did, however, provide summary reports for both CY 2016 and CY 2017. The reports describe the compilation and evaluations of vendor performance that the CORs provided. According to officials, the reports were intended to offer the USCP Office of Policy and Management Systems statistics only and not intended for procurement purposes. Comparison of the reports yielded inconsistencies. The evaluation criteria and the ratings criteria differed and as a

result the information is of little value for decision makers. As of November 9, 2018, a central repository or a system to track and account for the Vendor Performance Evaluations did not exist. Without such a system, OAM could not determine how many evaluations should be prepared and returned to OAM. FAR Subpart 42.15—*Contractor Performance Information*—establishes responsibilities for recording and maintaining contractor performance information, further stating past performance evaluations must be prepared at least annually and at the time the work under a contract or order is completed. Without written guidance and a monitoring/tracking system, OAM cannot be aware of the entire population of required evaluations invalidating the conclusions made on the *Summary Report for Contractor Performance*. And without the ability to track the status of vendor performance evaluations, OAM will also not be aware of missing information. The summary reports for CY 2016 and CY 2017 are in Appendix C. Having complete, timely, and accurate information on contractor performance allows officials responsible for awarding new federal contracts to make informed decisions. Agencies generally are required to document contractor performance on contracts or orders exceeding certain dollar thresholds. Although the Department generally follows the FAR, maintaining a system with reliable contractor performance data would certainly be a best practice.

Accuracy and Completeness of Contractor Performance Data

OAM did not have a program that documented the monitoring of contractor performance. In addition, consistent criteria that would allow for a repository of information decision makers use did not exist. Because of the absence of a documented monitoring program and inconsistency of available information, the testing of accuracy and completeness was not feasible.

Compliance with the Monitoring Program

The Department did not have a program for monitoring contractor performance. Without a documented program, OIG could not measure compliance.

Other Matters

OAM did not develop or have a Procurement Training and Development Plan, as the guidance requires. We believe that workforce development is critical for achieving program success. According to the guidance, a plan would establish core requirements and mandatory procurement training levels for the procurement and contracting professionals in OAM. The Directive states that "The USCP Procurement Training and Development Plan establishes core requirements and mandatory procurement training for all procurement/contracting professionals in OAM." Including a minimum of 80 hours of continuous learning points every two years based on government-wide acquisition

training standards. The documents OAM provided for supporting its training requirements included an Excel workbook. Those documents did not, however, contain continuing learning points or credits that would enable calculation of credit toward the requirement. The Excel workbook merely listed class titles and dates and did not contain sufficient data for OIG to measure compliance requiring 80 hours of training every 2 years.

Another component of USCP acquisition are the CORs. Neither the Directive or the COR Appointment Letter specifically identify requirements for COR training or refresher training. OAM officials stated that OAM follows the Federal Acquisition Institute (FAI) criteria for training and refresher training. The criteria for FAI requirements are discussed in the September 6, 2011, Memorandum for Chief Acquisition Officers, *Revisions to the Federal Acquisition Certification for Contracting Officer's Representatives*. Initial training for a COR consists of 40 hours of training and 8 hours of refresher training every 2 years.

OIG reviewed the COR Training Report OAM maintains. Of the 37 CORs monitoring contracts as of November 1, 2018, 3 were not current with refresher training. OIG requested evidence of training to verify the information presented on the COR Training Report. OIG selected 14 CORs and in 4 cases OAM could not provide the additional information. While the Directive does not explicitly state the training requirements for CORs, the Directive does state that OAM is responsible for ensuring that USCP has a trained procurement workforce. And although it scheduled on-site COR training and registered attendees, OAM did not ensure that active CORs received the required training. Strengthening the USCP acquisition workforce is essential toward ensuring that the Department gets the best value for the goods and services it procures annually.

Conclusions

The Department did not have a documented system for monitoring contractor performance. In addition, the Department did not have the kind of information that would provide complete, timely, and accurate information on the performance of contractors, ultimately allowing officials responsible for awarding new federal contracts to make informed decisions. Because of the Department's lack of a directive for monitoring contractor performance monitoring, compliance could not be determined. Additionally, the Department did not develop a Procurement Training and Development Plan with acquisition training requirements as the guidance describes. OIG, therefore, makes the following recommendations.

Recommendation 1: We recommend that the United States Capitol Police establish a program that will collect performance data for contractors and track that information in a system by which the Office of Acquisition Management can monitor the status of contractor performance data required from Contracting Officer's Representatives. Such data should be readily available to decision makers.

Recommendation 2: We recommend that the United States Capitol Police develop a Procurement Training and Development Plan that includes training and refresher training requirements for the Office of Acquisition Management (OAM) staff as well as Department Contracting Officer's Representatives. The plan should include a comprehensive tracking system for training as well as track and report compliance with requirements. Contractor compliance should also be included in the OAM strategic plan. OAM should develop mitigating procedures for addressing any noncompliance with training requirements.

APPENDICES

List of Recommendations

Recommendation 1: We recommend that the United States Capitol Police establish a program that will collect performance data for contractors and track that information in a system by which the Office of Acquisition Management can monitor the status of contractor performance data required from Contracting Officer's Representatives. Such data should be readily available to decision makers.

Recommendation 2: We recommend that the United States Capitol Police develop a Procurement Training and Development Plan that includes training and refresher training requirements for the Office of Acquisition Management (OAM) staff as well as Department Contracting Officer's Representatives. The plan should include a comprehensive tracking system for training as well as track and report compliance with requirements. Contractor compliance should also be included in the OAM strategic plan. OAM should develop mitigating procedures for addressing any noncompliance with training requirements.

DEPARTMENT COMMENTS



UNITED STATES CAPITOL POLICE

OFFICE OF THE CHIEF
119 D STREET, NE
WASHINGTON, DC 20510-7218
November 20, 2018

COP 181235

MEMORANDUM

TO: Mr. Michael A. Bolton
Acting Inspector General

FROM: Matthew R. Verderosa
Chief of Police

SUBJECT: Response to Office of Inspector General draft report *Assessment of the United States Capitol Police Contractor Performance Monitoring* (Report No. OIG-2019-03)

The purpose of this memorandum is to provide the United States Capitol Police response to the recommendations contained within the Office of Inspector General's (OIG) draft report *Assessment of the United States Capitol Police Contractor Performance Monitoring* (Report No. OIG-2019-03).

The Department generally agrees with all of the recommendations and appreciates the opportunity to work with the OIG to further improve upon current policies and procedures process within the Department. The Department will assign Action Plans to appropriate personnel regarding each recommendation in effect to achieve long term resolution of these matters.

Thank you for the opportunity to respond to the OIG's draft report. Your continued support of the women and men of the United States Capitol Police is appreciated.

Very respectfully,

A handwritten signature in blue ink, appearing to read "Matthew R. Verderosa".

Matthew R. Verderosa
Chief of Police

cc: Steven A. Sund, Assistant Chief of Police
Richard L. Braddock, Chief Administrative Officer
[REDACTED] USCP Audit Liaison

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Office of Procurement
2016 - Summary Report for Contractor's Performance

Purpose

The purpose of the vendor Performance Rating and Review is to document and score United States Capitol Police (USCP) contractors performance towards meeting contracted objectives.

**Summary Report of
Contractor Performance
CY 2016**

Criteria	Ratings	Results
Time of Deliveries	Excellent	59%
	Very Good	18%
	Good	6%
	Marginal	6%
	N/A	11%
Quality of Parts/Products	Excellent	53%
	Very Good	19%
	Good	11%
	Marginal	6%
	N/A	11%
Competitiveness of Price	Excellent	48%
	Very Good	11%
	Good	41%
	Marginal	0%
	N/A	0%
Quality of Services	Excellent	48%
	Very Good	23%
	Good	23%
	Marginal	0%
	N/A	6%
Expertise of the Staff	Excellent	36%
	Very Good	29%
	Good	24%
	Marginal	0%
	N/A	11%
Level of assistance in Research and Development	Excellent	35%
	Very Good	18%
	Good	18%
	Marginal	0%
	N/A	29%

Scope

This applies to all vendors who provide goods and or services to the USCP whose performance can be monitored and evaluated.

Method

A total of twenty-nine (29) Vendor Performance Evaluations were sent out to the active Contracting Officer Representatives (COR). Each COR was asked to submit a separate performance evaluation form for each contract(s) that they served as a designated COR. The Procurement Office received responses from eleven (11) CORs, and a total of seventeen (17) completed the Vendor Performance Evaluation Forms. The chart below illustrates the list of criteria's and ratings:

Conclusion:

Each contractor's performance was documented on scale from 1 through 5, with 5 being highest rating, excellent, and 1 being lowest rating of unsatisfactory. Overall 75% of the vendors received a rating of excellent or very good. 25% received a rating of good to marginal. In summary USCP Contractors are meeting contracted objectives.

Office of Procurement
2017 - Summary Report for Contractor's Performance

Purpose

The purpose of the vendor Performance Rating and Review is to document and score United States Capitol Police (USCP) contractors performance towards meeting contracted objectives.

**Summary Report of
Contractor Performance**

CY 2017		
Criteria	Response	Results
Deliveries Consistently on Time	Yes 25/25	Yes
Meeting USCP Requirements	Yes 25/25	Yes
Accuracy of Deliverables	Yes 25/25	Yes

Scope

Vendors who provide goods and or services to the USCP whose performance can be monitored and evaluated.

Method

A random sample of Annual Performance Reports were pulled from contract files for review and survey. A total of twenty-five (25) files were reviewed and summarized.

Conclusion

In summary USCP Contractors are meeting contracted objectives.

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Washington, DC 20003*



Or visit us:

*499 South Capitol Street, SW, Suite 345
Washington, DC 20003*



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