



Audit of the United States Marshals
Service's Blanket Purchase Agreement for
Executive, Administrative, and
Professional Support Services Awarded to
Mayvin, Incorporated



AUDIT DIVISION

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EXECUTIVE SUMMARY

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Objectives

The Department of Justice (DOJ) Office of the Inspector General (OIG) conducted an audit of a United States Marshals Service (USMS) blanket purchase agreement (BPA) for executive, administrative, and professional support services awarded to Mayvin, Incorporated (Mayvin). The objectives of our audit were to: (1) assess the adequacy of the USMS's oversight of the BPA and related call orders, and (2) determine if Mayvin properly invoiced the USMS and complied with the terms and conditions of the BPA and call orders.

Results in Brief

We identified significant issues related to the USMS's contract management practices that resulted in inadequate oversight of the BPA with Mayvin for workforce support. Specifically, we found that the USMS did not sufficiently identify the bona fide need for the contract services, and none of the associated call orders identified the specific requirements (skills needed, tasks to be performed) for services to be provided. As a result, we were unable to determine if the USMS had a legitimate need for each contract service provided, and, in turn, whether the USMS appropriately safeguarded the financial interests of the federal government. In addition, we found that the USMS appeared to administer the Mayvin call orders as personal services contracts, which exposed the USMS to the risk of circumventing civil service laws and violating the Federal Acquisition Regulation (FAR). Moreover, we determined that Mayvin did not comply with certain terms and conditions of the BPA and related call orders. In total, this audit identified \$1,791,752 in potentially wasted funds and \$136,779 in questioned costs. Moreover, given the BPA has a remaining estimated value of \$87.8 million, we believe the USMS could put to better use these funds through stronger contract administration and implementation of our recommendations.

Recommendations

We made 14 recommendations for the USMS to remedy deficiencies related to the BPA and associated call orders. We requested a response to our draft audit report from the USMS and Mayvin. The USMS's response can be found in Appendix 3. Mayvin responded that it had no comments; therefore, Mayvin's response is not included in this report. Our analysis of the USMS's response is included in Appendix 4.

Audit Results

For the past 20 years, the USMS has been receiving executive, administrative, and professional support services from contractors. In 2021, the USMS awarded a BPA to Mayvin for such services over a 5-year period with an estimated value of \$131 million, which has since increased to \$190 million. As of July 2025, the USMS had paid Mayvin approximately \$102 million under 171 awarded call orders.

The USMS Likely Could Save Funds through Stronger Contract Management

We found that the USMS had not established effective contract management practices to prevent fraud, waste, and abuse. In particular, the USMS did not sufficiently establish its bona fide need when requisitioning services under the BPA, as required by USMS policy. Specifically, we found that there was minimal documentation supporting the need for services and the appropriateness of the type of job categories and the associated number of labor hours to execute the contracted services. As a result, it is unclear how the USMS would know if it is controlling costs.

Further, the USMS did not ensure individual call orders contained a detailed description of work to be performed and standards to measure performance. Instead, the USMS used a generic description of duties for each labor category. Without identifying the specific tasks a contract

worker is to perform, the USMS would be unable to adequately assess Mayvin's performance and determine whether costs are being appropriately and responsibly controlled to ensure adequate stewardship of taxpayers' funds.

In addition, despite the USMS's significant history in contracting for executive, administrative, and professional support services and the contract requirements remaining consistent, the USMS continued to award the call orders as labor hour contracts rather than firm-fixed-price. Labor-hour contracts are inherently high-risk as they are based on the number of hours worked and provide little incentive for a contractor to work efficiently and control costs. Additionally, labor-hour contracts require strong government oversight of contractor performance to give reasonable assurance that efficient methods and effective cost controls are being used.

As a result of the weaknesses we identified, we were unable to determine whether the USMS had a legitimate need for contract services provided, and whether the USMS appropriately safeguarded the financial interests of the federal government. For example, we identified a few instances where the USMS may have paid more for contract services than were necessary, including the USMS using a more costly labor category for certain contract services when it seemed the same work could have been achieved by a less costly labor category. Moreover, the USMS paid for a contract worker who was non-responsive during work hours; when the contract worker's equipment was returned, the USMS discovered that the contract worker may have simulated activity. To this end, we questioned \$61,521 in unsupported costs and \$1,791,752 of funds unnecessarily expended by the USMS. Additionally, as of July 2025, there is approximately \$87.8 million remaining of the BPA's estimated value. We believe the USMS can realize cost savings and better uses of its spending once the USMS takes corrective action on our recommendations and improves its administration of this BPA.

The USMS Should Ensure It Has Not Inadvertently Established Personal Services Contracts

Federal agencies are normally required to obtain their

employees by direct hire under competitive appointment or other procedures required by the civil service laws. Obtaining personal services by contract circumvents those laws and violates the FAR, unless Congress has specifically authorized an agency to acquire the services by contract. While the USMS has statutory authority to award personal services contracts for security guards and for serving complaints, subpoenas, and notices, the call orders under the BPA we audited were not awarded under this statutory authority. Nevertheless, we found that the USMS appeared to administer the audited Mayvin call orders as personal services contracts. For example, a key inquiry to assess whether a contract is personal in nature is whether the government is exercising relatively continuous supervision and control over the contractor personnel. We concluded that because the call orders did not identify the specific tasks to be performed and how contract worker performance would be measured, USMS officials were required to exert control over the work contract personnel performed. As a result, we believe the USMS's contracting practices may have inappropriately placed contract workers in a personal services role, contrary to federal contracting and USMS guidance.

The USMS Needs to Hold the Contractor Accountable for Compliance with BPA and Call Order Terms and Conditions

We also found issues with Mayvin's compliance with the BPA and call order terms and conditions. For instance, Mayvin did not perform the quality control steps as required by the BPA, which, in turn, resulted in the USMS providing time and effort to manage contract worker performance. For example, Mayvin placed a contract worker on a call order who did not have a necessary skill that the USMS needed, which the USMS identified and then notified Mayvin to remove that individual from the call order. We questioned the \$24,752 billed for that contract worker because Mayvin did not perform the necessary quality control as required by the contract. In addition, we found instances where Mayvin's bills against call orders exceeded individual line item ceilings within call orders, and there was not any evidence that modifications to those line item ceilings had been made. As a result, we questioned an additional \$50,686 related to this issue.

Table of Contents

Introduction	1
OIG Audit Approach	2
Audit Results	3
The USMS Likely Could Save Funds Through Stronger Contract Management	3
Justifying the Bona Fide Need of Contract Services.....	5
Defining the Description of Work in Call Orders.....	6
Selecting Higher-Risk Versus Lower-Risk Contract Types	7
The USMS Should Ensure It Has Not Inadvertently Established Personal Services Contracts	10
The USMS's Contract Monitoring Can Be Strengthened to Help Ensure the Contractor is Held Accountable for Performance	12
Contractor Quality Control Plan	13
Use of Oversight Tools.....	14
Annual BPA Review.....	14
Quality Assurance Surveillance Plan (QASP).	14
Contractor Performance Assessment Reporting System (CPARS).....	14
Responsibility.	14
Contractor Compliance with BPA and Call Order Terms and Conditions	15
Conclusion and Recommendations	17
APPENDIX 1: Objectives, Scope, and Methodology.....	19
Objectives	19
Scope and Methodology.....	19
Statement on Compliance with Generally Accepted Government Auditing Standards	19
Internal Controls.....	19
Compliance with Laws and Regulations	20
Sample-Based Testing.....	21
Computer-Processed Data	21
APPENDIX 2: Schedule of Dollar-Related Findings	22
APPENDIX 3: The U.S. Marshals Service's Response to the Draft Audit Report	23
APPENDIX 4: The Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report.....	29

Introduction

The United States Marshals Service (USMS) is the enforcement arm of the federal courts and is involved in virtually every aspect of the federal law enforcement system. The USMS's duties include protecting the federal judiciary, apprehending federal fugitives, managing and selling seized assets, housing and transporting federal prisoners, and operating the Witness Security Program. In July 2021, the USMS awarded Mayvin, Inc. (Mayvin), a blanket purchase agreement (BPA) to provide executive, administrative, and professional support services for a variety of USMS functions, including human resources, administrative, financial, and program and management analysis.¹ According to Mayvin's mission statement, Mayvin is a global technical and knowledge-based services company providing specialized personnel in areas such as systems engineering and science and technology to defense, civilian government, and Intelligence Community customers. Headquartered in Alexandria, Virginia, Mayvin was founded in 2008 and is a certified women-owned small business.

The awarded BPA is for a total of 5 years (a base year with the period of performance beginning October 1, 2021, and four 1-year options) and has an estimated value of \$190 million.² When the USMS has a need for executive, administrative, or professional support services, it awards a call order under the BPA. As shown in Table 1, the USMS had awarded 171 call orders under the BPA and paid Mayvin approximately \$102 million, as of July 2025.³ While the number of call orders issued per year stayed relatively steady between fiscal years (FY) 2022 and 2024, the number of contract worker positions associated with the call orders awarded has increased from one fiscal year to the next during the life of the BPA—growing from 164 positions in FY 2022 to 241 positions in FY 2024, or a 47-percent increase. For the first 10 months of FY 2025, the number of call orders had already reached the previous full-year level and the number of contract worker positions had reached an all-time high of 274.

¹ A BPA is not a contract but rather an agreement containing contract clauses applying to future contracts between the parties during the term of the BPA and that contemplates separate future contracts that will incorporate, by reference or attachment, the required and applicable clauses agreed upon in the BPA. Further, there are no appropriations cited or funds obligated regarding the BPA itself. Under a BPA, when the need for a service arises, contracts are awarded under the BPA, which the USMS refers to as call orders and the FAR refers to as orders. For purposes of this audit report, we use the USMS's nomenclature of call orders. This BPA was established using the contractor's General Services Administration (GSA) Multiple Award Schedule contract.

² According to USMS contract documentation, the BPA's original estimated value was \$131 million when awarded and has since increased to \$190 million. The estimated value is the total amount that the USMS can spend on services under this BPA. Although the BPA's estimated value is \$190 million, the USMS has not appropriated or obligated \$190 million to the BPA. Therefore, there is no guarantee that the USMS will spend a total of \$190 million on services under this BPA, as funding or operational changes can impact decisions to contract for services under this BPA.

³ The dollar value of the individual call orders ranged from approximately \$36,000 to over \$5 million.

Table 1
Summary of Call Orders Awarded
Fiscal Year 2022 through July 2025

Fiscal Year (FY)	Number of Call Orders	Number of Contract Worker Positions ^a	Amount Paid
FY 2022	41	164	\$19,599,404
FY 2023	44	217	\$26,727,439
FY 2024	41	241	\$31,259,110
FY 2025 (through July 2025)	45	274	\$24,596,888
Totals	171		\$102,182,841

^a The number of contract worker positions was calculated by taking the total hours from all call orders for the fiscal year and dividing that figure by the standard productive hours of 1,920 per contract worker per year.

Source: Payments report from the USMS and OIG analysis of the BPA file.

Due to the size of the BPA, the USMS assigned numerous personnel to administer it, including Contracting Officers, Contracting Officer's Representatives (COR), and Government Task Managers.⁴ During the period covered by our audit, the USMS had assigned 7 Contracting Officers to the BPA (2 primary Contracting Officers and 5 others who could serve the role on an as needed basis), designated 24 CORs and 6 Assistant CORs to call orders, and used 114 Government Task Managers to monitor contractor performance across the call orders.⁵

OIG Audit Approach

The objectives of this audit were to: (1) assess the adequacy of the USMS's oversight of the BPA and related call orders, and (2) determine if Mayvin properly invoiced the USMS and complied with the terms and conditions of the BPA and call orders.

In conducting our audit, we tested compliance with what we consider to be the most important conditions of these contract actions. Unless otherwise stated in our report, the criteria we used to evaluate compliance are contained in the FAR and internal USMS policies and procedures. We reviewed BPA and call order documentation, including award documents, invoices, and contractor-provided documents. We also conducted site visits at USMS headquarters in Washington, D.C., as well as interviewed USMS Contracting Officers, CORs, and Government Task Managers from various USMS divisions and key Mayvin employees. Appendix 1 contains further details on our audit objectives, scope, and methodology. Appendix 2 presents the audit's Schedule of Dollar-Related Findings.

⁴ The USMS used Government Task Managers, who are USMS employees, to monitor contractor performance.

⁵ The same COR could be assigned to multiple call orders and multiple Government Task Managers could be used on a single call order. For example, 17 Government Task Monitors were used on 1 call order.

Audit Results

We determined that the USMS did not perform adequate oversight of the BPA because of deficient contract management practices. Specifically, we found that the USMS did not identify a bona fide need for procuring services under the BPA, did not provide support to justify the amount of labor required, and did not specifically define the call order tasks to be completed and how those tasks would be monitored. Further, we determined that the USMS used a high-risk contract type to procure services, may have inappropriately placed contract workers in a personal services role, and did not perform monitoring functions as required. As a result of the weaknesses we identified in the USMS's oversight of the BPA, we were unable to determine if the USMS had a legitimate need for contract services provided, and, in turn, whether the USMS appropriately safeguarded the financial interests of the federal government. To this end, we questioned \$136,779 in costs associated with certain services that were to be provided by contract workers and incorrect billings, as well as \$1,791,752 of funds unnecessarily expended by the USMS. Further, as of July 2025, there was a total of approximately \$87.8 million remaining of the BPA's estimated value, which we believe could be saved or better spent if the USMS takes decisive corrective action on our recommendations and improves its administration of this BPA.⁶

The USMS Likely Could Save Funds Through Stronger Contract Management

The USMS has spent over \$102 million for executive, administrative, and professional support services under the BPA and associated call orders awarded to Mayvin as of July 2025. However, we found that the USMS did not establish effective contract management practices to prevent fraud, waste, and abuse, as required by FAR Subpart 37.102(f), which resulted in: (1) the USMS not sufficiently identifying the bona fide need for the contracted services, and (2) the USMS not ensuring individual call orders contained a description of work to be performed and standards to measure performance. Moreover, the USMS awarded labor-hour contracts, which are inherently high-risk—providing little incentive for a contractor to work efficiently and control costs. The lack of effective contract management practices contributed to inadequate contract oversight, which increased the risk of not appropriately safeguarding taxpayer dollars. For example:

- USMS officials told us about a contract worker's performance that was deemed unacceptable by new USMS management. These officials further stated that the contract worker was subsequently removed from the call order, and that the contract worker's responsibilities were absorbed by another contract worker without incurring additional costs. Prior to the worker's removal, the USMS paid \$227,209 for the individual's hours billed that spanned several years and multiple call orders. Some or all of these costs may have been avoided had the USMS's contract management practices been adequate to more quickly identify that it did not need this level of effort. We question the necessity of the \$227,209 given the USMS paid Mayvin for a contract worker whose responsibilities

⁶ As mentioned in the Introduction of this audit report, as of July 2025, the USMS had spent approximately \$102 million on the BPA, which has an estimated value of \$190 million. Therefore, the USMS could choose to spend approximately \$87.8 million more under this BPA. However, there is no guarantee that the USMS will award future call orders under this BPA for any or all of the \$87.8 million as funding or operational changes can impact contracting decisions and the BPA itself does not cite appropriations or obligate funds.

were absorbed by another and therefore the costs for a separate position were unwarranted and the USMS should consider an appropriate remedy.

- USMS officials told us about another contract worker who was not responsive to work messages despite appearing to be available during duty hours. These officials stated that the contract worker was removed from the call order after 6 months had elapsed from when the contract worker was brought onboard. These officials further stated that when the contract worker returned the assigned computer, the USMS found the laptop was set up to make it appear that someone is actively working even if they are not. The USMS paid \$61,521 for hours billed for this individual. We question the \$61,521 as unsupported given it seems apparent that the contract worker was not always working the hours reflected on their timesheets and for which the USMS was billed. Moreover, although aware of this incident, the USMS did not attempt to recover any of the costs paid nor did Mayvin offer to pay back any of this amount. We recommend that the USMS remedy the \$61,521 in unsupported costs pertaining to hours billed that may not have resulted in any services performed.
- USMS personnel from three separate divisions stated that contract worker positions had been vacant for extended periods of time, but those divisions were able to continue their mission without extra resources, such as individuals needing to work overtime or needing to obtain additional USMS personnel. In a follow up to the exit conference, USMS officials stated that vacancies often result from security clearance delays, contractor turnover, or shifting mission priorities, which in many cases, result in existing personnel absorbing additional duties temporarily but may not be sustainable long term. The USMS further stated that the vacancies mentioned to us by USMS personnel from three separate divisions do not necessarily indicate that the positions were unnecessary. Nonetheless, given USMS personnel from these divisions told us that the divisions were able to accomplish the tasks at hand without additional resources, it raises concern as to whether the USMS needed those contract positions and whether the USMS has appropriate processes in place to assess requests for contract personnel.
- The USMS used a more costly labor category for certain body worn camera program functions even though it seemed that a less costly labor category would have achieved the same level of work. The USMS awarded call orders for contract workers to review body worn camera footage and blur identifying information by clicking and dragging a mouse button. To do this work, the USMS paid contract workers at the program analyst (PA) III labor category that, on average, was nearly 34 percent more per hour than a PA I labor category. USMS personnel were unable to explain why the work necessitated contract workers at the PA III labor category. As of July 2025, the USMS had paid \$6,153,566 for contract workers to perform this function, which is \$1,564,543 more than if they had paid the contract workers at the PA I labor category. We question the necessity of the \$1,564,543 because a less costly labor category appears sufficient for the services needed and the USMS should pursue an appropriate remedy.

The examples listed above highlight how ineffective contract management practices can result in waste, and potentially fraud or abuse. Had the USMS established effective contract management practices, including identifying the need for services and ensuring contract requirements and contract performance measures corresponded to that need, the USMS would have been better positioned to identify whether the type and number of contractor positions were necessary and whether the contract workers were providing services at an acceptable level for the \$102.2 million spent as of July 2025. Therefore, given the approximately

\$87.8 million remaining of the BPA's estimated value, we recommend that the USMS review all active call orders to assess the services associated with those call orders, and future call orders for similar services, and determine if the services are necessary and aligned with the procured labor mix, and if not, put those funds to better use. The following sections provide further details on the USMS's deficient contract management and we believe that full implementation of our recommendations described in these sections will allow the USMS to put to better use any remaining unspent funds not associated with active call orders.

Justifying the Bona Fide Need of Contract Services

According to USMS policy, the first key duty involved in the acquisition process is creating a requisition form to satisfy a bona fide need for the goods or services to be procured. USMS policy outlines standards that must be met before a contracting officer may accept a purchase requisition package for processing; two of which are a full description of the requirement (e.g., a complete description of the services to be purchased) and the basis for determining required or estimated quantities. We found that USMS program officials, as part of the call order award process, sent requisition forms detailing the level of effort and labor mix (labor hours and categories) to the contracting officer. We reviewed all call order contract files associated with the Mayvin BPA and found that the requisition forms identified the requested level of effort and labor mix for each call order. However, we determined that in all cases the justification of a bona fide need for the services was insufficient as there was minimal documentation supporting why the services were needed and why the level of effort and labor mix was appropriate despite not only the aforementioned USMS standards regarding an acceptable purchase requisition package but also the instructions in the requisition form to attach statements of work (SOW), justifications, and other documentation to support the bona fide need.

In addition to USMS requirements, FAR Subpart 8.405-3(c)(3) states that all call orders under a BPA shall specify a price for the performance of the tasks identified in the statement of work and that the government is responsible for considering the level of effort and proposed labor mix to perform a specific task being ordered, determining that the total price is reasonable through appropriate analysis techniques, and documenting the file accordingly. However, because requests were not provided to the contractor identifying the specific tasks to be ordered, the contractor did not prepare responsive proposals identifying the level of effort and labor mix the contractor believed would be needed to accomplish the required tasks that the USMS, in turn, would analyze. Instead, requesting USMS officials identified only the desired level of effort (i.e., number of labor hours) and the labor mix (i.e., the skill-level or expertise) and applied the appropriate labor rate(s) from the BPA for the associated labor types. Then, the contracting officers used this information to issue call orders. As a result, we determined that the USMS was not preparing purchase requisitions and issuing call orders to acquire specific services in accordance with the FAR and instead was acquiring categories of contract workers to complete undefined tasks.

We spoke with USMS contracting officers involved in awarding call orders who told us that call order requirements are completed by the USMS division that needs the services. They further stated that if call order requirements have been reviewed by the requesting division's chain of command, the contracting officer will award the call order after verifying the correct labor rates were used but without asking for documentation supporting the need for specific labor categories and the number of hours requested.

It is unclear how the USMS would know if it is controlling costs to help prevent fraud, waste, and abuse when it is issuing call orders that rely on requisition packages that are missing key components, including a

description of the specific services to be performed and justification for the level of effort and labor mix. Therefore, to reduce the risk that future contract funds will be spent unnecessarily, we recommend the USMS design and implement a control to ensure call order requisition packages include sufficient justification and support for required services as outlined in USMS policy. In addition, we recommend that the USMS design and implement a control to ensure requests for services to the contractor specify the task(s) required, proposals regarding those tasks are required from the contractor, and the review of the level of effort and labor mix contained in those proposals are sufficiently documented, as required by FAR 8.405-(3)(c)(3).

Defining the Description of Work in Call Orders

The FAR requires that a SOW, which includes a description of work to be performed and applicable performance standards, be developed for each call order covered by a BPA.⁷ While the BPA we audited has an overarching performance work statement (PWS) that lists job categories and a description of the typical duties performed by each of those job categories, the BPA PWS states that work to be performed will be defined in each call order's task descriptions.⁸

Despite the FAR and PWS requirements for individual call orders to define the work to be performed, our review of all call orders the USMS issued for Mayvin services found that they did not include detailed SOWs. When asked why SOWs were not included in each call order, a USMS contracting officer stated that the overarching PWS applies to each call order so they did not feel the need to develop a "duplicate PWS" for each call order. The USMS contracting officer further stated that because each call order included the specific labor categories required and the overarching PWS lists the duties of each labor category, each individual call order does define the tasks to be performed.

We did not have a concern with the USMS using an overall PWS as a framework to promote efficiency and consistency among the call orders by including standard terms for items, such as productive and non-productive hours, inclement weather guidance, and invoicing procedures. However, we found that the description of duties for each labor category is generic and does not identify what specific services are to be delivered and how performance would be measured. For example, one specific call order included six PA III positions. Given the USMS told us that it relies upon the BPA PWS to provide the description of work to be performed, we reviewed the BPA PWS for a PA III contract worker and noted the generic job duties listed, which are shown in the call out box. From this broad, general list, we were unable to determine what specific services should have

Examples of Program Analyst III Job Duties from the BPA PWS

- 1. Perform program and organizational analyses for assigned program areas.*
- 2. Assist program areas with the development and implementation of new information technology (IT) initiatives.*
- 3. Interpret existing rules, regulations, and USMS policies.*
- 4. Consult with operating and administration officials to develop and enhance the program's IT systems.*
- 5. Analyze program resource requests and determine appropriate levels using current staffing.*

⁷ FAR Subparts 8.405-2(b), 8.405-3(b)(2)(i), and 8.405-3(c)(3).

⁸ According to the definition in FAR Subpart 2.101, a PWS is a type of SOW and is used for performance-based acquisitions.

been provided on this call order and how these six contract workers' performance should have been measured. To provide more context of what services these contract workers were providing, we spoke with a USMS employee responsible for overseeing the six PA III contract workers, and this individual informed us that these contract workers were conducting open-source research in support of certain mission-critical work. Without speaking with this USMS employee, we would not have been aware of the actual services provided by these contract workers on this call order. Further, without identifying the specific tasks a contract worker is to perform, the USMS would be hard-pressed to adequately assess a contract worker's performance. This same USMS employee told us that USMS employees are held to certain performance metrics, while contract workers are not, and the vague nature of the contract makes it difficult to hold the contract workers accountable.

In addition to the duties in the overall PWS not reflecting specific needs, we found that contract workers with notably different job duties share the same labor category. For example, PA I contract workers from one call order managed day-to-day accountable property, while PA I contract workers on another call order audited invoices. Similarly, a PA III contract worker from one call order assists USMS deputies who transport prisoners; PA III contract workers on another call order provide resources to support different specific mission-critical work; and PA III contract workers on yet another call order receive, label, and categorize body worn camera footage. Therefore, even though contract workers share the same labor categories, the actual duties they perform can vary significantly depending on their respective call orders, yet the call orders do not provide any such details of the services to be performed or how performance will be assessed.

Without details of the specific services to be provided by contract workers, the USMS is unable to provide proper contract oversight and determine whether costs are being controlled to help prevent fraud, waste, and abuse. Therefore, we recommend that the USMS include individual SOWs that identify the specific services it requires and applicable performance standards in both its current and future call orders to help ensure appropriate services are procured and contractor performance can be measured.

Selecting Higher-Risk Versus Lower-Risk Contract Types

The USMS awarded each of the 171 BPA call orders as of July 2025 as labor-hour contracts, which according to the Government Accountability Office (GAO), are considered higher-risk to the government than other contract types because: (1) the government is not guaranteed a completed end item or service and (2) they provide little incentive for the contractor to work efficiently or control costs (e.g., a contractor operating under a labor-hour contract could work less efficiently and, therefore, more hours, which would increase overall costs to the government).⁹ Given the higher-risk to the government that labor-hour contracts pose, the FAR states that firm-fixed-price (FFP) orders should be used to the maximum extent practicable and that

⁹ The GAO reports regarding higher-risk contract types include (1) GAO, [Improved Insight and Controls Needed over DOD's Time-and-Materials Contracts](#), Report GAO-07-237 (June 2007), [gao.gov/products/gao-07-273.pdf](#); (2) GAO, [Minimal Compliance with New Safeguards for Time-and-Materials Contracts for Commercial Services and Safeguards Have Not Been Applied to GSA Schedules Program](#), Report GAO-09-579 (June 2009), [gao.gov/products/gao-09-579.pdf](#); and (3) GAO, [Opportunities Exist to Reduce Use of Time-and-Materials Contracts](#), Report GAO-22-104806 (June 2022), [gao.gov/products/gao-22-104806](#).

contracting officers should avoid protracted use of labor-hour contracts after experience provides a basis for firmer pricing.¹⁰

According to the FAR, if an entire contract cannot be FFP (a lower-risk contract type), the contracting officer shall still consider whether a portion of the contract can be established on an FFP basis.¹¹ Therefore, we believe that the USMS could have combined contract types and awarded call orders that include both FFP and labor-hour portions. Based on our review of contract documentation and discussion with USMS officials, the USMS has been receiving executive, administrative, and professional support services from contractors for the past 20 years, and many of the CORs and Government Task Managers we interviewed told us that their requirements for contract services are consistent each year. Given the USMS's significant history in contracting for these services and the contract requirements remaining consistent, we believe USMS officials should have enough experience to give them the knowledge necessary to consider the use of FFP call orders or portions of call orders for this procurement.

Despite the FAR guidance and the USMS's lengthy experience of contracting for such services, USMS officials stated that the USMS has used and plans to continue to use labor-hour call orders because: (1) the hours needed and the extent or duration of the services is not always known, (2) the USMS cannot accurately predict the precise amount of positions and mix of labor categories that will be needed during the duration of each call order, and (3) using a labor-hour construct allows the USMS to add and remove positions to meet mission needs. These USMS officials further stated that the overarching BPA is labor-hour and that, as a result, the call orders must also be labor-hour, which is consistent with language in the overarching PWS that states each call order shall be a labor-hour contract.

However, according to the USMS Contracting Officer who issued the BPA, not all services need to be contracted with labor-hour call orders, and FFP call orders could be used by modifying the BPA. Additionally, during our review of the call orders, we found that the USMS awarded call orders that would appropriately be considered time-and-materials contracts. Specifically, we identified 66 call orders that collectively included over \$650,000 for travel costs, which, according to the FAR, makes these call orders time-and-materials.¹² While labor-hour and time-and-materials contracts are similar (i.e., under both, payment is based on the actual time a contract worker spends on a project, and FAR Subpart 16.602 states a labor-hour contract is a variation of a time-and-materials contract), it is noteworthy that the USMS awarded a different contract type than what some USMS officials stated was possible according to the overarching BPA and PWS.

The FAR further states that prior to the issuance of a labor-hour call order, the contracting officer shall execute a determination & findings (D&F) for the call order containing sufficient facts and rationale to justify that a fixed-price call order is not suitable.¹³ Despite this requirement, D&Fs were not prepared prior to issuing each call order associated with the Mayvin BPA we audited. This occurred because the USMS

¹⁰ FAR Subparts 8.404(h)(2), 8.405-3(c)(3), 16.103(c), and 37.102(a)(2).

¹¹ FAR Subpart 16.104(e).

¹² FAR Subpart 16.601.

¹³ FAR Subpart 8.404(h)(3).

believed an overarching BPA D&F prepared during the BPA procurement satisfied the D&F requirement for all subsequent call orders.

In addition to our concerns with the USMS not executing separate D&Fs for each call order, during our review of the overarching D&F, we identified the following concerns:

- The BPA D&F includes no facts or rationale supporting that it was not possible at the time of placing the call order to accurately estimate the extent or duration of the work or anticipate costs with any reasonable degree of confidence.
- The BPA D&F states that performance specifications in the BPA will be monitored and will include standards and measurements that will be monitored to ensure that hours are utilized efficiently. The D&F further states that by employing these surveillance methods, the requirement is structured to minimize the use of labor-hour call orders on future acquisitions for the same requirement by using the labor rates and hours established to execute fixed-price call orders. However, we found no evidence of the performance specifications, standards, or measurements discussed in the D&F. During subsequent discussions with USMS officials, they were unable to elaborate on the D&F's reference to specifications, standards, and measurements.
- The BPA D&F was prepared in 2019 with a period of performance from 2021 to 2026. We are concerned with the length of time that has spanned since completing the D&F and whether that D&F is still appropriate to use for all call orders issued through 2026. For example, when the FY 2025 labor-hour call orders were issued, the D&F for those call orders was based on information that was 5 years old.

As stated previously, labor-hour contracts are inherently high-risk as they provide little incentive for a contractor to work efficiently and control costs and, in turn, require appropriate government oversight of contractor performance to give reasonable assurance that efficient methods and effective cost controls are being used.¹⁴ As a result, the use of labor-hour contracts increases the risk that the financial interests of the federal government may not be appropriately safeguarded—from the potential of costs not being sufficiently controlled or the additional costs incurred by the government to perform necessary oversight of such contract types. Therefore, we recommend that the USMS develop and implement a control to ensure that contracting officials comply with FAR 16.104(e) and consider utilizing fixed-price call orders, or portions of call orders, rather than labor-hour call orders. Additionally, we recommend that the USMS develop and implement a control to ensure D&Fs are completed for non-firm-fixed-price call orders, as required by FAR Subpart 8.404(h)(3).

Although we highlight labor-hour contracts as being inherently high-risk, the use of fixed-price contracts is not without risk. If the agreed-to price is not based on a well-defined requirement, the USMS could pay more than necessary for services or pay for services it does not need because under a fixed-price contract the USMS would pay the fixed price regardless of whether the actual cost of providing the service differs from the agreed-to price. In the previous report sections, we discussed the importance of identifying a bona

¹⁴ FAR Subparts 16.601(c)(1) and 16.602.

fide need for services, adequately defining the work to be performed and how performance would be measured, and ensuring the appropriateness of the level of effort and labor mix necessary to perform the required work. When the USMS addresses the issues identified in these areas, it will help mitigate risks associated with using fixed-price contracts.

The USMS Should Ensure It Has Not Inadvertently Established Personal Services Contracts

Under the FAR, a personal services contract is a contract that, by its express terms or as administered, makes the contractor personnel appear to be, in effect, government employees.¹⁵ By contrast, the FAR defines a non-personal services contract as a contract under which the personnel rendering services are not subject, either by the contract's terms or by the manner of its administration, to the supervision and control usually prevailing in relationships between the government and its employees.¹⁶ We found that the USMS appeared to administer the audited Mayvin call orders as personal services contracts.

Federal agencies are normally required to obtain their employees by direct hire under competitive appointment or other procedures required by the civil service laws. Obtaining personal services by contract, rather than through standard federal hiring processes, circumvents those laws and violates the FAR, unless Congress has specifically authorized an agency to acquire the services by contract. Without such approval, contracting agencies are expressly prohibited from awarding personal services contracts.¹⁷ While the USMS has statutory authority to award personal services contracts for security guards and for serving complaints, subpoenas, and notices in lieu of U.S. Marshals and Deputy U.S. Marshals performing this work, the call orders under the BPA were not awarded under this statutory authority.¹⁸

Either by its terms prior to award or as administered, a key inquiry to assess whether a contract is personal in nature is whether the government is exercising relatively continuous supervision and control over the contractor personnel. In addition, the FAR provides six descriptive elements to be used as a guide in determining whether a service contract is personal in nature. As reflected in Table 2, we found that the USMS's administration of the BPA and related call orders demonstrates all of the elements that characterize a personal services contract under the FAR.

¹⁵ FAR Subpart 2.101.

¹⁶ FAR Subpart 37.101.

¹⁷ FAR Subparts 37.104(a) and (b).

¹⁸ 28 U.S.C. § 565 provides the USMS the authority to award personal services contracts for security guards and for the service of summons on complaints, subpoenas, and notices. USMS policy outlines several steps that must be taken before a personal services contract may be awarded under this statutory authority.

Table 2

Personal Services Contract Descriptive Elements

FAR Personal Services Contract Descriptive Elements	USMS Administration of Mayvin Call Orders
Performance on site.	Services are performed either at USMS locations or remotely; services are not performed at a Mayvin location.
Principal tools and equipment furnished by the government.	The USMS provides principal tools and equipment (e.g., desk space, telephones, computers) to contract workers.
Services are applied directly to the integral effort of agencies or an organizational subpart in furtherance of assigned function or mission.	The PWS states these services will support operational missions and daily USMS operations.
Comparable services, meeting comparable needs, are performed in the same or similar agencies using civil service personnel.	USMS personnel stated that the USMS could not hire government employees due to budget restraints and a hiring freeze, and the USMS brought on contract workers to supplement the government staff to perform the duties of the divisions.
The need for the type of service provided can reasonably be expected to last beyond 1 year.	The BPA is for a total of 5 years, and the USMS procured these services for 19 years prior to the BPA.
The inherent nature of the service, or the manner in which it is provided, reasonably requires directly or indirectly, government direction or supervision of contractor employees in order to: (i) adequately protect the government's interest, (ii) retain control of the function involved, or (iii) retain full personal responsibility for the function supported in a duly authorized federal officer or employee.	The call orders do not identify what the contract worker is expected to deliver and how contract worker performance will be measured. Therefore, USMS Government Task Managers must direct contract workers' tasks and determine what constitutes satisfactory performance.

Source: OIG analysis of USMS documentation, interviews, and FAR Subpart 37.104(d).

Based on the descriptive elements discussed in Table 2, our assessment of the USMS's administration of call orders for executive, professional, and administrative services required USMS officials to exert control over the work contract personnel would be performing because the call orders did not identify the specific tasks to be performed and how contract worker performance would be measured. As a result, we believe the USMS's contracting practices may have inappropriately placed contract workers in a personal services role, contrary to the FAR and USMS guidance.¹⁹ In essence, the USMS created an environment where contract

¹⁹ This is not the first time that the OIG has conveyed concerns regarding DOJ components administering a non-personal services contract as a personal services contract. See DOJ OIG, [Management Advisory Memorandum Concerning the Department of Justice's Administration and Oversight of Contracts](#), Audit Division 20-082 (July 2020),

Continued

workers operate as if they were USMS employees. In fact, interviews with USMS personnel identified concerns that contract workers may be performing inherently governmental functions, such as administering contracts, assisting in the development of SOWs, developing USMS policy documents, and supporting responses to Freedom of Information Act requests; yet FAR Subpart 7.503(a) states that contracts shall not be used for the performance of inherently governmental functions.

When asked about the personal services nature of the call orders, USMS officials stated that the USMS does not exercise any management-related task pertaining to Mayvin employees, such as hiring, firing, performance reviews, or leave management. USMS officials further stated that the USMS is afforded the opportunity to attend a “meet and greet” session with potential Mayvin employees. These officials stated, however, that the USMS is a passive participant during these meetings and that while it is customary for Mayvin to ask the USMS’s opinion on potential candidates, the final hiring authority is solely Mayvin’s. We noted the PWS specifically requires Mayvin to have a recruitment and retention plan that approves the presence of USMS personnel at contractor candidate interviews and states that the USMS can sit in during the interview process as observers but cannot influence the contractor’s decision with respect to hiring personnel. In practice, however, we found that the USMS does exert some influence on the hiring process considering:

- A COR stated that the ultimate decision to hire is made by the government task manager, and another COR noted an example where the candidate who was hired for a new position was the one a USMS Assistant Director and Deputy Assistant Director selected.
- A COR stated that the USMS can recommend which candidate to hire and Mayvin’s decision typically aligns with the USMS’s recommendation.
- A COR stated that Mayvin submits candidate resumes to the USMS and the USMS decides which candidates are scheduled for a meet and greet.
- A briefing presentation provided to CORs about the BPA and COR responsibilities stated that the USMS may choose to receive additional resumes in lieu of the contractor’s proposed candidate.

Administering call orders under the BPA as improper personal services contracts exposes the USMS to a significant risk of circumventing civil service laws by avoiding direct hiring under competitive appointments and authorizing contractors to perform inherently governmental functions, potentially in violation of FAR Subparts 37.104 and 7.503. As a result, we recommend that the USMS evaluate the structure and management of Mayvin staff on call orders to ensure the USMS is not inappropriately exercising a personal services contract.

The USMS’s Contract Monitoring Can Be Strengthened to Help Ensure the Contractor is Held Accountable for Performance

The FAR prescribes policies and procedures to ensure that services acquired under government contracts conform to the contract’s quality and quantity requirements.²⁰ Without proper oversight, the government

oig.justice.gov/reports/management-advisory-memorandum-concerning-department-justices-administration-and-oversight.

²⁰ FAR Subpart 46.000.

has an increased risk of not receiving services as expected and not appropriately safeguarding the financial interests of the federal government. As discussed previously in this audit report, the BPA and related call orders lacked details on the services to be provided and the performance measures to be used, which made it challenging for the USMS to conduct proper contract oversight and ensure the quality of the contract services provided. Nevertheless, we identified deficiencies with the USMS's contract monitoring efforts that focus on Mayvin's quality control plan and the USMS's use of contract oversight tools.

Contractor Quality Control Plan

The USMS did not ensure that Mayvin performed quality control steps as required by the BPA's PWS. The BPA's PWS incorporated Mayvin's proposed quality control plan to help ensure acceptable performance of the services provided. However, Mayvin officials stated that after the BPA was awarded, Mayvin replaced the quality control plan with an enterprise system applicable to all of Mayvin's contracts, not just the BPA we audited. We determined that the new system does not satisfy the requirements of the quality control plan contained in the PWS because it omitted requirements to ensure the services are performed at an acceptable level, such as monitoring personnel performance and collecting data to identify trends, problems, and issues. These missing requirements resulted in the USMS providing the time and effort to manage contract worker performance instead of Mayvin doing this work. For example, Mayvin placed a contract worker on a call order who did not have basic spreadsheet skills that the USMS needed. USMS personnel attempted to train the contract worker for 2 months before notifying Mayvin to remove the contract worker from the call order. If Mayvin had executed its quality control plan, it may have identified this issue sooner, thus reducing the amount that the USMS paid for inadequate services and reducing the amount of USMS resources spent trying to improve the contract worker's performance. As a result, we question the \$24,572 billed for this contract worker because Mayvin did not perform quality control as required by the terms of the BPA. We recommend that the USMS remedy the \$24,572 in unallowable costs related to Mayvin not performing the quality control plan agreed to in the BPA.

Additionally, as stated previously, the USMS's use of labor-hour call orders provides no incentive to the contractor for controlling costs or labor efficiency. Therefore, the USMS should have required Mayvin to utilize its quality control plan—and provided adequate oversight to ensure Mayvin put forth appropriate effort to do so—to help mitigate the risk of costs not being controlled appropriately. Moreover, the burdened contract labor rates include costs for implementation of the quality control plan, including contractor personnel responsible for specific quality control functions outlined within the plan.²¹ Because Mayvin is not utilizing its quality control plan, the USMS is paying for services it is not receiving. As a result, it is important for the USMS to either receive the full value of the contracted services or potentially seek an overall cost adjustment for the defined services they did not receive. Therefore, we recommend that the USMS ensures the contractor utilizes its quality control plan to help mitigate risk of contract nonperformance and ensure the USMS receives the full value of the contracted services.

²¹ Burdened labor rates include wages, overhead, general and administrative expenses, and profit according to FAR Subpart 16.601(b). Costs planned for Mayvin's quality control functions are included in the overhead portion of the burdened labor rates.

Use of Oversight Tools

The FAR, USMS policies, the BPA, and COR designation letters describe tools and responsibilities for overseeing the call orders. We found the USMS did not fully comply with these criteria on providing adequate monitoring of its BPA call orders as discussed in the following areas:

Annual BPA Review. The FAR requires an annual review be performed to determine if the BPA still represents the best value, if estimated quantities/amounts have been exceeded, and if additional price reductions can be obtained. The FAR also requires documentation of the completed reviews to be included in the contract file.²² We did not find any evidence that the USMS conducted annual reviews of the BPA. When asked, USMS officials acknowledged that the USMS did not document annual BPA reviews.

Quality Assurance Surveillance Plan (QASP). According to the FAR, QASPs should be prepared in conjunction with the preparation of the SOW and should specify all work requiring monitoring and how that work will be monitored.²³ Although the BPA contained a QASP and also required that a quality assurance review report (QARR) be prepared, the USMS did not execute either of these. According to the BPA, the CORs were to complete both items. However, the CORs we interviewed stated they were not completing the QASP/QARR as part of their contract oversight efforts, nor had they been told these items were part of their responsibilities. They believed the contracting officers completed the QASP for the overall BPA, yet the contracting officers stated the CORs should be using the QASP to monitor contractor performance.

Contractor Performance Assessment Reporting System (CPARS). For each call order above the simplified acquisition threshold, the FAR requires performance evaluation reports be completed at least annually and when work under the order is completed.²⁴ The COR designation letters state that the COR is responsible for verifying whether the contractor satisfactorily completed delivery of all items under the contract to include entering performance feedback in CPARS. However, we found that the USMS had not completed performance evaluation reports for the call orders. USMS officials stated that the requirement to complete the CPARS “slipped through the cracks” and moving forward they would “try to right that ship” and complete the CPARS.

Responsibility. The COR designation letters for the call orders state that CORs are responsible for monitoring performance to ensure strict compliance with the contract’s terms and conditions. However, the CORs we interviewed stated they do not monitor contract worker performance. Instead, the CORs told us that they rely on Government Task Managers, who are USMS employees located near or who work with contract workers, to monitor the day-to-day oversight and quality of the work performed. We interviewed 11 Government Task Managers, all of whom confirmed that they monitored the performance of contract workers. Contracting officers can designate these responsibilities to CORs; however, the Government Task Managers were not designated CORs on

²² FAR Subpart 8.405-3(e).

²³ FAR Subpart 46.401.

²⁴ FAR Subparts 8.406-7 and 42.1502(c).

these call orders, and as a result, were not officially responsible for monitoring contractor performance.

These oversight deficiencies contribute to an increased risk that the USMS may not be receiving the contract services as expected, as well as not be appropriately safeguarding the financial interests of the federal government. As a result, we recommend that the USMS ensure its personnel are aware of and conduct all necessary contract oversight, including annual reviews of the BPA; utilizing the QASP; performing and entering contractor performance evaluations into CPARS; and properly designating and documenting responsibilities for contract performance monitoring.

Contractor Compliance with BPA and Call Order Terms and Conditions

As mentioned in the preceding section of this report, Mayvin did not comply with the BPA's terms and conditions pertaining to its quality control plan. Moreover, because the call orders did not identify specific services to be delivered (as discussed in prior sections of this report), we were not able to determine if the services that were delivered were appropriate. We did, however, determine that Mayvin generally complied with the BPA and associated call orders in the following areas: (1) using labor categories consistent with the GSA Schedule contract, (2) charging labor category rates consistent with the BPA, and (3) submitting invoices at least monthly that identified the hours worked for each labor category. In addition, we selected a judgmental sample of 23 invoices and were able to reconcile the labor rates billed to those in the BPA, as well as the labor hours billed to contract worker timesheets with minimal, immaterial exceptions. Additionally, we obtained paystubs for some contract workers in our sample to ensure the workers were paid for hours billed on the invoices.

However, we found instances in which Mayvin's bills against call orders did not fully align with the individual line item ceilings within the call order. For example, on one call order, Mayvin billed \$31,577 more for Program Analyst I labor than that line item ceiling. Although the total billed amount did not exceed the total call order ceiling (because Mayvin subsequently billed less than the ceiling on other line items), replacing services ordered under one line item with services ordered under a different line item is noncompliant with the terms of the call order. The FAR defines a line item as the basic structural element in a procurement instrument that describes and organizes the required service for pricing, delivery, inspection, acceptance, invoicing, and payment.²⁵ Therefore, if changes to line items were necessary, a modification to the call order that memorializes those changes should have been executed. The FAR further states that labor hour contracts must include a ceiling price that the contractor exceeds at its own risk.²⁶ In addition to the \$31,577 example noted, we identified several other instances where the contractor exceeded the line item ceiling price at its own risk; this amounted to \$50,686 in total. Mayvin personnel reported that invoice submission depends on the agency's financial system. Our review identified inconsistencies between the agency's funding records and call orders that could allow invoicing errors to go undetected. USMS personnel could not fully explain why these inconsistencies occurred. However, it seems apparent that neither Mayvin nor the USMS was consistently reviewing the actual line item funding amounts listed for the call order prior to submitting and processing invoices. Therefore, we recommend that the USMS work with Mayvin to remedy

²⁵ FAR Subpart 2.101

²⁶ FAR Subparts 16.602 and 16.601(d)(2).

\$50,686 in unallowable costs related to bills against call orders that did not fully align with the individual line item ceilings within the call orders.

We identified other instances where the total value of the call order was not exceeded but line items within the call order were exceeded. In those situations, however, we determined that when the USMS executed modifications to close out the call orders, it mistakenly reduced some line item ceilings to amounts below what the contractor had already incurred and invoiced based on prior line item ceilings. As a result, billed amounts that were compliant with call order ceilings prior to the close out modifications became noncompliant after the USMS executed the close out modifications. A USMS official could not explain why this happened and what the impact would be considering its financial system shows amounts ordered for line items that do not reconcile to amounts provided by the contractor for those line items. USMS officials stated that these instances appear to be administrative or system errors. In light of this and the aforementioned \$50,686 in questioned costs, we recommend that the USMS identify and remedy the internal control weakness that resulted in these errors and address the inaccurate information reported in its financial system.

Conclusion and Recommendations

We identified significant issues related to the USMS's contract management practices that resulted in inadequate oversight of the BPA for executive, administrative, and professional support services. The lack of justification supporting the necessity or appropriateness of the services, lack of specific details of the services the contractor was expected to deliver and how the contractor's performance would be measured, and the high-risk contract type utilized for call orders raise significant concerns about whether the financial interests of the federal government have been appropriately safeguarded. In addition, the USMS potentially circumvented civil service laws and violated the FAR, and the instances of inadequate contract monitoring and noncompliance with call order terms and conditions we identified increase the likelihood of contracting activities that are inconsistent with legal requirements or are not cost effective. As a result of the weaknesses we identified in the USMS's oversight of the BPA, we were unable to determine if the USMS had a legitimate need for contract services provided. To this end, we questioned \$136,779 in costs associated with services to be provided by contract workers and incorrect billings, as well as \$1,791,752 of funds unnecessarily expended by the USMS. Further, as of July 2025, there was approximately \$87.8 million remaining of the BPA's estimated value, representing funds which we believe could be saved or better spent once the USMS takes decisive corrective action on our recommendations and improves its administration of this BPA. We make 14 recommendations for the USMS to address the contract-related deficiencies and dollar-related findings.

We recommend that the USMS:

1. Remedy the \$1,791,752 in BPA-related expenditures for which the OIG has questioned the necessity of the cost.
2. Remedy the \$61,521 in unsupported costs pertaining to hours billed that may not have resulted in any services performed.
3. Review all active call orders to assess the services associated with those call orders, and future call orders for similar services, and determine if the services are necessary and aligned with the procured labor mix, and if not, put those funds to better use.
4. To reduce the risk that future contract funds will be spent unnecessarily, design and implement a control to ensure call order requisition packages include sufficient justification and support for required services as outlined in USMS policy.
5. Design and implement a control to ensure requests for services to the contractor specify the task(s) required, proposals regarding those tasks are required from the contractor, and the review of the level of effort and labor mix contained in those proposals are sufficiently documented, as required by FAR 8.405-(3)(c)(3).
6. Include individual SOWs that identify the specific services it requires and applicable performance standards in both its current and future call orders to help ensure appropriate services are procured and contractor performance can be measured.

7. Develop and implement a control to ensure that contracting officials comply with FAR 16.104(e) and consider utilizing fixed-price call orders, or portions of call orders, rather than labor-hour call orders.
8. Develop and implement a control to ensure D&Fs are completed for non-firm-fixed-price call orders, as required by FAR Subpart 8.404(h)(3).
9. Evaluate the structure and management of Mayvin staff on call orders to ensure the USMS is not inappropriately exercising a personal services contract.
10. Remedy the \$24,572 in unallowable costs related to Mayvin not performing the quality control plan agreed to in the BPA.
11. Ensure the contractor utilizes its quality control plan to help mitigate risk of contract nonperformance and ensure the USMS receives the full value of the contracted services.
12. Ensure its personnel are aware of and conduct all necessary contract oversight, including annual reviews of the BPA; utilizing the QASP; performing and entering contractor performance evaluations into CPARS; and properly designating and documenting responsibilities for contract performance monitoring.
13. Work with Mayvin to remedy \$50,686 in unallowable costs related to bills against call orders that did not fully align with the individual line item ceilings within call orders.
14. Identify and remedy the internal control weakness that resulted in billing errors and address the inaccurate information reported in its financial system.

APPENDIX 1: Objectives, Scope, and Methodology

Objectives

The objectives of this audit were to: (1) assess the adequacy of the United States Marshals Service's (USMS) oversight of the blanket purchase agreement (BPA) and associated call orders, and (2) determine if Mayvin, Inc. (Mayvin) properly invoiced the USMS and complied with the terms and conditions of the BPA and call orders.

Scope and Methodology

We reviewed BPA number 15M10421AA4700042 awarded in July 2021, and the associated call orders, by the USMS to Mayvin for executive, administrative, and professional support services. The audit scope covered the USMS's oversight of the BPA, including the awarding, administration, and monitoring of call orders; and a review of invoices and Mayvin's performance with BPA and call order terms and conditions. To accomplish our objectives, we reviewed the BPA and associated call order files, relevant Federal Acquisition Regulation (FAR) requirements, and USMS procedures applicable to contracts, as well as reconciled invoice and payment information received from Mayvin to USMS financial system data. We also interviewed Mayvin personnel and USMS employees, such as Contracting Officers, Contracting Officer's Representatives, and Government Task Managers from various headquarters divisions.

Statement on Compliance with Generally Accepted Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objectives. We did not evaluate the internal controls of the USMS to provide assurance on its internal control structure as a whole. USMS management is responsible for the establishment and maintenance of internal controls in accordance with Office of Management and Budget Circular A-123. Because we do not express an opinion on the USMS's internal control structure as a whole, we offer this statement solely for the information and use of the USMS.²⁷

We assessed the design, implementation, and operating effectiveness of these internal controls and identified deficiencies that we believe could affect the USMS's ability to effectively manage its contracting processes, to correctly state financial or performance information, and to ensure compliance with laws and regulations. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to those internal control components and underlying

²⁷ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

principles that we found significant to the objectives of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

Compliance with Laws and Regulations

In this audit, we tested, as appropriate given our audit objectives and scope, records, procedures, and practices, to obtain reasonable assurance that the USMS's management complied with federal laws and regulations for which noncompliance, in our judgment, could have a material effect on the results of our audit. Our audit included examining, on a test basis, the USMS's compliance with the following laws and regulations that could have a material effect on the USMS's operations:

- FAR Subpart 2.101: Definitions
- FAR Subpart 7.503: Policy (Inherently Governmental Functions)
- FAR Subpart 8.404: Use of Federal Supply Schedules
- FAR Subpart 8.405: Ordering Procedures for Federal Supply Schedules
- FAR Subpart 8.406-7: Contractor Performance Evaluation
- FAR Subpart 16.103: Negotiating Contract Type
- FAR Subpart 16.104: Factors in Selected Contract Types
- FAR Subpart 16.601: Time-and-Materials Contracts
- FAR Subpart 16.602: Labor-Hour Contracts
- FAR Part 31: Contract Cost Principles and Procedures
- FAR Part 37: Service Contracting
- FAR Subpart 42.15: Contractor Performance Information
- FAR Part 46: Government Contract Quality Assurance

This testing included analyzing contract documents, interviewing Mayvin and USMS personnel, and reviewing invoices and available supporting documentation. As noted in the Audit Results section of this report, we found that the USMS did not comply with federal regulations related to: (1) acquisition and procurement and (2) contract oversight and monitoring.

Sample-Based Testing

To accomplish our audit objectives, we performed sample-based testing for billing and payments. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the areas we reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected.

Computer-Processed Data

During our audit, we obtained information from USMS's Unified Financial Management System and Mayvin's payroll and accounting systems. We did not test the reliability of those systems as a whole; therefore, any findings identified involving information from those systems were verified with documentation from other sources.

APPENDIX 2: Schedule of Dollar-Related Findings

Description	Call Order No.	Amount	Page
Questioned Costs – Unsupported: ²⁸			
Unsupported Contract Worker Labor (FAR 31.201-2(d))	15M10423FA4700075	\$ 61,521	4
Subtotal Unsupported Costs		\$ 61,521	
Questioned Costs – Unallowable:			
Contract Terms - Quality Control (FAR 31.201-2(a)(4))	15M10422FA4700063	\$ 24,572	13
Contract Terms - Line Item Billings (FAR 31.201-2(a)(4))	Multiple	50,686	15
Subtotal Unallowable Costs		\$ 75,258	
Questioned Costs – Unnecessary:			
Unnecessary Contract Worker (5 U.S.C. § 405(a)(4)(C))	Multiple	\$ 227,209	3
Unnecessary Labor Category (5 U.S.C. § 405(a)(4)(C))	Multiple	1,564,543	4
Subtotal Unnecessary Costs		\$ 1,791,752	
Funds to be Put to Better Use: ²⁹			
Unused Estimated Value ³⁰		\$87,817,159	5
Total Funds to be Put to Better Use		\$87,817,159	
TOTAL DOLLAR-RELATED FINDINGS		<u>\$89,745,690</u>	

²⁸ **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, the provision of supporting documentation, or contract ratification, where appropriate.

²⁹ **Funds to be Put to Better Use** are future funds that could be used more efficiently if management took actions to implement and complete audit recommendations.

³⁰ As discussed in this audit report, as of July 2025, the USMS had spent approximately \$102 million on the BPA, which has an estimated value of \$190 million. Therefore, the USMS could choose to spend approximately \$87.8 million more under this BPA. However, there is no guarantee that the USMS will award future call orders under this BPA for any or all of the \$87.8 million as funding or operational changes can impact contracting decisions.

APPENDIX 3: The U.S. Marshals Service's Response to the Draft Audit Report



U.S. Department of Justice

United States Marshals Service

Office of Professional Responsibility

Washington, DC 20530-0001

September 22, 2025

MEMORANDUM TO: Jason M. Malmstrom
Assistant Inspector General
Office of the Inspector General

FROM: Darnell Sims DARNELL
Acting Assistant Director SIMS Digitally signed by
DARNELL SIMS
Date: 2025.09.22
12:10:22 -04'00'

SUBJECT: Response to Draft Audit Report: Audit of the U.S. Marshals
Service's Blanket Purchase Agreement Awarded to Mayvin,
Incorporated, for Executive, Administrative, and Professional
Support Services

This is in response to correspondence from the Office of the Inspector General (OIG), requesting comment on the recommendations associated with the subject draft audit report. The United States Marshals Service (USMS) appreciates the opportunity to review the Report and concurs with the recommendations therein. Actions planned by the USMS with respect to OIG's recommendations are outlined in the attached response.

Should you have any questions or concerns regarding this response, please contact Krista Eck, External Audit Liaison, at 202-819-4371.

Attachments

cc: Todd Anderson
Regional Audit Manager
Office of the Inspector General

Louise Duhamel
Assistant Director, Audit Liaison Group
Internal Review and Evaluation Office
Justice Management Division

Dana Lindblad
Acting Deputy Chief of Staff
United States Marshals Service

**United States Marshals Service Response to the
Office of Inspector General Draft Report
Audit of U.S. Marshals Service's Blanket Purchase Agreement Awarded to Mayvin, Inc.
for Executive, Administrative, and Professional Support Services**

Recommendation 1: Remedy the \$1,791,752 in BPA-related expenditures for which the OIG has questioned the necessity of the cost.

USMS Response (Concur): The United States Marshals Service (USMS) concurs with this recommendation. The USMS Procurement Division (PD) Contracting Officers (CO) will conduct remedial training with all appointed Contracting Officer Representatives (COR) to ensure they are aware of all contract monitoring requirements. Further, the USMS COs will ensure that all CORs understand that contracting personnel can be removed from any USMS call order for unacceptable performance based on their monitoring. Further, the USMS PD will require that all CORs review their active call orders and verify that all positions are justified. This justification will detail why the position is necessary, why the labor category (LCAT) was selected, and include a supplemental performance work statement (PWS). This supplemental PWS will provide a detailed list of the work/task to be performed and performance metrics that will allow the contract support to be monitored. These actions will be completed prior to the conclusion of fiscal year (FY) 2026.

Recommendation 2: Remedy the \$61,521 in unsupported costs pertaining to hours billed that may not have resulted in any services performed.

USMS Response (Concur): The USMS concurs with this recommendation. The USMS PD COs will meet with representatives from Mayvin to develop a more comprehensive plan to ensure any similar situations are avoided moving forward. The USMS PD COs will conduct remedial training with all CORs to ensure that they understand their responsibility to monitor all contract performance for successful completion, and all CORs will receive additional training concerning the removal of underperforming contracting personnel. The USMS PD will also implement a new requirement for this BPA that all requests for the removal of any contractor support will be coordinated through the PD COs and not directly through Mayvin at the request of the COR. Additionally, the USMS PD will conduct a review of its contractor telework policy to determine if telework will continue to be authorized as needed per call order, or if all positions should transition to in-person/in-office work. These actions will be completed prior to the conclusion of FY 2026.

Recommendation 3: Review all active call orders to assess the services associated with those call orders, and future call orders for similar services, and determine if the services are necessary and aligned with the procured labor mix, and if not, put those funds to better use.

USMS Response (Concur): The USMS concurs with this recommendation. The USMS PD will require each ordering activity to review all current call orders and provide a justification as to

why the services are needed. As addressed in Recommendation 1, the justification will also include why the selected LCAT is appropriate, a supplemental PWS that addresses the work to be performed, and the performance metrics for the contractor support. After the ordering activity provides this information to PD, the COs will work with Mayvin to analyze the request to ensure the appropriate LCAT is being utilized. Should an improper LCAT be identified, the USMS PD will work with the ordering activity to adjust the LCAT via a contract modification. These actions will be completed prior to the conclusion of FY 2026.

For any call orders dated after October 1, 2025, the ordering activity must provide the information listed above prior to the execution of the call order. Once the request is reviewed and agreed to by both the USMS COs and Mayvin, the call order will be issued.

Recommendation 4: To reduce the risk that future contract funds will be spent unnecessarily, design and implement a control to ensure call order requisition packages include sufficient justification and support for required services as outlined in USMS policy.

USMS Response (Concur): The USMS concurs with this recommendation. In addition to the actions annotated in Recommendation 3, should the USMS opt to recompetes this requirement, the USMS PD will issue ordering instructions as part of the contract or Blanket Purchase Agreement (BPA). The ordering instructions will include all the items listed in Recommendation 3 as a requirement prior to any call being issued against the new vehicle. Additionally, PD COs will conduct a kickoff meeting with all responsible parties (CORs, Government Task Managers, and Leadership) of each ordering activity to explain the new contract or BPA. This kickoff meeting will allow the USMS PD to go through the ordering instructions, individual roles/responsibilities, and the do's and don'ts of the new vehicle. These actions will be completed prior to the conclusion of FY 2026 for the current BPA.

Recommendation 5: Design and implement a control to ensure requests for services to the contractor specify the task(s) required, proposals regarding those tasks are required from the contractor, and the review of the level of effort and labor mix contained in those proposals are sufficiently documented, as required by FAR 8.405-(3)(c)(3).

USMS Response (Concur): The USMS concurs with this recommendation. In addition to requiring the actions noted in Recommendation 3, the USMS PD will work with both the ordering activity and Mayvin to ensure that the proper LCAT is utilized prior to adding any positions to an existing call order, or the issuance of any new call order. All requirements noted in Recommendation 3 will be collected and placed in the contract file for each call order. These actions will be effective with any call order dated after October 1, 2025.

Recommendation 6: Include individual SOWs that identify the specific services it required and applicable performance standards in both its current and future call orders to help ensure appropriate services are procured and contractor performance can be measured.

USMS Response (Concur): The USMS concurs with this recommendation. As noted in Recommendation 1, the USMS will have each division with an active call order under the BPA develop a supplemental PWS that will identify specific requirements for their order and the required performance metrics. These actions will be completed prior to the conclusion of FY 2026.

For any call orders dated after October 1, 2025, the ordering activity must provide the information listed above prior to the execution of the call order. Once the request is reviewed and agreed to by both the USMS COs and Mayvin, the call order will be issued.

Recommendation 7: Develop and implement a control to ensure that contracting officials comply with FAR 16.104(e) and consider utilizing fixed-price call orders, or portions of call orders, rather than labor-hour call orders.

USMS Response (Concur): The USMS concurs with the premise of this recommendation; however, the existing BPA is a labor-hour only BPA. No fixed-price line items were negotiated or awarded as part of the existing BPA and therefore, no fixed-price line items can be awarded. The only call orders that can be awarded under the existing BPA are labor-hour. To implement Recommendation 7, the USMS would be required to cancel the existing BPA and issue a new multiple CLIN structure BPA. Given the needs of the Agency, and the time required to get a new BPA in place, this is an unacceptable course of action for the USMS for FY 2026.

The USMS is currently working to develop a new BPA for these services and will review FAR 16.104(e) to determine the appropriate contract type prior to soliciting the requirement. All contract types, including fixed-price, will be considered; however, the new (and future) FAR overhaul language may impact what contract types are available to the USMS when the new BPA is finalized. Should the USMS decide to issue a new BPA for these services, it will be issued no-later-than March 31, 2027.

Recommendation 8: Develop and implement a control to ensure D&Fs are completed for non-firm-fixed price call orders, as required by FAR Subpart 8.404(h)(3).

USMS Response (Concur): The USMS concurs with this recommendation. For the current BPA, the USMS will develop a D&F for the final option period that covers all orders to meet the requirements of FAR 8.404 (h)(3). If there are any variances in orders that are not covered under the D&F, individual D&Fs will be included. This response will be implemented by the end of FY 2026.

For any new contracts, the USMS will develop and implement a control that depending on the contract type utilized, the FAR will be reviewed to determine if a D&F needs to be completed for each call order. This response will be implemented after October 1, 2025.

Recommendation 9: Evaluate the structure and management of Mayvin staff on call orders to ensure the USMS is not inappropriately exercising a personal services contract.

USMS Response (Concur): The USMS concurs with this recommendation. The USMS Policy Directive 6.1, *Procurement Authority and Oversight*, (E)(8)(k) states that COs must properly execute a written delegation of authority of assigning CORs under any specific contract. A delegation memorandum template has been created to meet Department of Justice (DOJ) Policy Instruction 1301.03.01, *Acquisition Career Management Program – Federal Acquisition Certification for Contracting Officer's Representatives*, to include detailed duties, responsibilities, and obligations for managing the assigned contract and contractor staff based on the contract's terms and conditions. The DOJ Policy Instruction specifically requires that each memorandum include monitoring and surveillance, inspection and acceptance, invoices and payments, and evaluating performance. Further as discussed in response to Recommendation 1, COR training will be provided to manage and strengthen contract management and oversight practices. Training will be conducted prior to the end of FY 2026.

Recommendation 10: Remedy the \$24,572 in unallowable costs related to Mayvin not performing the quality control plan agreed to in the BPA.

USMS Response (Concur): The USMS concurs with this recommendation. After reviewing the quality control plan that is incorporated into the BPA, USMS COs will meet with representatives from Mayvin to develop a more robust plan to ensure all parties comply with quality control efforts. Additionally, the USMS PD will ensure that all CORs understand the quality control plan, and that they are informing the COs when issues arise. These actions will be completed prior to the conclusion of FY 2026.

Recommendation 11: Ensure the contractor utilizes its quality control plan to help mitigate risk of contract nonperformance and ensure the USMS receives the full value of the contracted services.

USMS Response (Concur): The USMS concurs with this recommendation. As referenced in Recommendation 10, USMS COs will review the quality control plan incorporated in the BPA and meet with representatives from Mayvin to develop a more robust plan to ensure all parties are complying with quality control efforts. Additionally, USMS COs will ensure that all reports required by the quality control plan are submitted in a timely manner. These actions will be completed prior to the conclusion of FY 2026.

Recommendation 12: Ensure its personnel are aware of and conduct all necessary contract oversight, including annual reviews of the BPA; utilizing the QASP; performing and entering contractor performance evaluations into CPARS; and properly designating and documenting responsibilities for contract performance monitoring.

USMS Response (Concur): The USMS concurs with this recommendation. The USMS will document the annual BPA reviews and ensure they are loaded into the contracting file. Additionally, the PD will ensure that CORs are fully aware of the quality control plan, understand their role in contract performance/monitoring and are cognizant of their requirement to complete reports and to supply that information to the COs.

Further, the USMS will register all BPA calls in CPARS and ensure that all performance evaluations are completed after each ordering period has concluded. These actions will be completed prior to the conclusion of FY 2026.

Recommendation 13: Work with Mayvin to remedy \$50,686 in unallowable costs related to bills against call orders that did not fully align with the individual line-item ceilings within call orders.

USMS Response (Concur): The USMS concurs with this recommendation. The USMS PD will conduct remedial training to all CORs, and other parties that are tasked with receiving and reviewing invoices, to ensure that all invoices are properly submitted and vetted. The USMS PD will also work with Mayvin to ensure that all invoices submitted align with the proper call order line items. The PD will ensure that both USMS approving officials and Mayvin representatives allow sufficient time for all invoices to be thoroughly reviewed prior to final submission. These actions will be completed prior to the conclusion of FY 2026.

Recommendation 14: Identify and remedy the internal control weakness that resulted in billing errors and address the inaccurate information reported in its financial system.

USMS Response (Concur): The USMS concurs with this recommendation. The PD will meet with all CORs to ensure they are properly managing their orders. During these meetings, the PD will identify any weaknesses and institute the appropriate training to address the deficiencies. While the USMS currently requires substantial financial systems training, it may be necessary to develop further training and job aids to adequately address any deficiencies. The USMS will work with the appropriate USMS personnel to develop and institute any additional training that may be required. These actions will be completed prior to the conclusion of FY 2026.

APPENDIX 4: The Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) provided a draft of this audit report to the United States Marshals Service (USMS) and Mayvin, Incorporated (Mayvin). The USMS's response is incorporated in Appendix 3 of this final report. Mayvin responded that it had no comments on the report; therefore, Mayvin's response is not included. In response to our audit report, the USMS concurred with our recommendations and discussed the actions it will implement in response to our findings. As a result, the status of the audit report is resolved. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendations for the USMS:

- 1. Remedy the \$1,791,752 in Blank Purchase Agreement (BPA)-related expenditures for which the OIG has questioned the necessity of the cost.**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that Procurement Division (PD) Contracting Officers (CO) will conduct remedial training with all appointed Contracting Officer Representatives (COR) to ensure CORs are aware of all contract monitoring requirements. Further, the USMS stated that its COs will ensure that all CORs understand that contracting personnel can be removed from any USMS call order for unacceptable performance based on their monitoring, and that the USMS PD will require all CORs to review their active call orders and verify that all positions are justified, including the details to be included in each justification. The USMS also stated that these actions will be completed prior to the conclusion of fiscal year (FY) 2026. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has remedied the \$1,791,752 in BPA-related expenditures for which the OIG has questioned the necessity of the cost.

- 2. Remedy the \$61,521 in unsupported costs pertaining to hours billed that may not have resulted in any services performed.**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that USMS PD COs will meet with representatives from Mayvin to develop a more comprehensive plan to ensure any similar situations are avoided moving forward. Further, the USMS stated that USMS PD COs will conduct remedial training with all CORs to ensure that CORs understand their responsibility to monitor all contract performance for successful completion, and all CORs will receive additional training concerning the removal of underperforming contracting personnel. The USMS stated that the USMS PD will also implement a new requirement for this BPA related to requests for the removal of any contractor support and that the USMS PD will conduct a review of its contractor telework policy to determine whether telework will continue to be authorized as needed per call order. Finally, the USMS stated that these actions will be completed prior to the conclusion of FY 2026. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has remedied the \$61,521 in unsupported costs pertaining to hours billed that may not have resulted in any services performed. As part of the USMS's efforts to remedy the unsupported costs, we believe the USMS should discuss with Mayvin the potential of the funds being returned to the USMS if adequate support is unavailable.

3. **Review all active call orders to assess the services associated with those call orders, and future call orders for similar services, and determine if the services are necessary and aligned with the procured labor mix, and if not, put those funds (\$87,817,159) to better use.**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that the USMS PD will require each applicable Division to review all current call orders and provide a justification as to why the services are needed. The USMS stated that, as addressed in Recommendation 1 above, each justification will include why the selected labor category is appropriate, a supplemental performance work statement (PWS) that addresses the work to be performed, and the performance metrics for the contractor support. Further, the USMS stated that after each applicable Division provides this information to the USMS PD, the COs will work with Mayvin to analyze the request and ensure the appropriate labor category is being utilized. The USMS stated that these actions will be completed prior to the conclusion of FY 2026. Moreover, the USMS said that for any call orders dated after October 1, 2025, each Division will be required to provide the same information prior to the execution of the call order, which will not occur until the request is reviewed and agreed to by both the USMS COs and Mayvin. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has reviewed all active call orders to assess the services associated with those call orders, and future call orders for similar services, and determined if the services are necessary and aligned with the procured labor mix, and if not, put those funds (\$87,817,159) to better use.

4. **To reduce the risk that future contract funds will be spent unnecessarily, design and implement a control to ensure call order requisition packages include sufficient justification and support for required services as outlined in USMS policy.**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that in addition to the USMS's actions noted in Recommendation 3, after the current BPA concludes, if a new contract or BPA is developed for these services, the USMS PD will issue ordering instructions as part of the new contract or BPA. The USMS stated that the ordering instructions would include all the items the USMS listed in response to Recommendation 3 as a requirement prior to any call being issued against the new procurement vehicle. Additionally, the USMS stated that USMS PD COs would conduct a kickoff meeting with all responsible parties (CORs, Government Task Managers, and leadership) of each ordering activity to explain the new contract or BPA, including the ordering instructions, individual roles/responsibilities, and the do's and don'ts of the new procurement vehicle. The USMS stated that these actions will be completed prior to the conclusion of FY 2026 for the current BPA. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has designed and implemented a control to ensure call order requisition packages include sufficient justification and support for required services as outlined in USMS policy.

5. **Design and implement a control to ensure requests for services to the contractor specify the task(s) required, proposals regarding those tasks are required from the contractor, and the review of the level of effort and labor mix contained in those proposals are sufficiently documented, as required by Federal Acquisition Regulation (FAR) 8.405-(3)(c)(3).**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that in addition to requiring the actions the USMS noted in Recommendation 3, the USMS PD will work with both the applicable USMS division requesting the services and Mayvin to ensure that the proper labor category is utilized prior to adding positions to an existing call order or the issuance of a new call order. Further, the USMS stated that it will document all requirements noted in Recommendation 3 in the contract file for each call order. Finally, the USMS stated that these actions will be effective with any call order dated after October 1, 2025. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has designed and implemented a control to ensure requests for services to the contractor specify the task(s) required, proposals regarding those tasks are required from the contractor, and the review of the level of effort and labor mix contained in those proposals are sufficiently documented, as required by FAR 8.405-(3)(c)(3).

6. **Include individual Statements of Work (SOW) that identify the specific services it requires and applicable performance standards in both its current and future call orders to help ensure appropriate services are procured and contractor performance can be measured.**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that, as the USMS noted in Recommendation 1, it will have each division with an active call order under the BPA develop a supplemental PWS that identifies specific requirements for the respective call order and the required performance metrics. The USMS stated that these actions will be completed prior to the conclusion of FY 2026. The USMS further stated that for any call orders dated after October 1, 2025, the ordering activity must provide the same information as for active call orders but prior to the execution of the call order. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has included individual SOWs that identify the specific services it requires and applicable performance standards in both its current and future call orders to help ensure appropriate services are procured and contractor performance can be measured.

- 7. Develop and implement a control to ensure that contracting officials comply with FAR 16.104(e) and consider utilizing fixed-price call orders, or portions of call orders, rather than labor-hour call orders.**

Resolved. The USMS concurred with the recommendation. The USMS stated in its response that the existing BPA is labor-hour only, no fixed-price line items were negotiated or awarded as part of the existing BPA, and therefore, no fixed-price line items can be awarded (only labor-hour call orders can be awarded). According to the USMS, it would need to cancel the existing BPA and issue a new multiple CLIN structure BPA to implement this recommendation. The USMS stated, however, that given the needs of the USMS and the time required to get a new BPA in place, cancelling the existing BPA and issuing a new one is an unacceptable course of action for FY 2026. The USMS stated it is currently working to develop a new BPA for these services and under the new BPA it will review FAR 16.104(e) to determine the appropriate contract type prior to requesting services from the contractor; noting that all contract types, including fixed-price, will be considered. The USMS also referred to the potential impact that the new (and future) FAR overhaul language could have on the contract type. The USMS stated that if the USMS decides to issue a new BPA for these services, it will be issued no later than March 31, 2027. As a result, this recommendation is resolved.

As noted in our report, according to the FAR, if an entire contract cannot be fixed-price, the contracting officer shall still consider whether a portion of the contract can be established on a fixed-price basis. Therefore, we believe that the USMS could have combined contract types and awarded call orders that include both fixed-price and labor-hour portions, which the USMS Contracting Officer who issued the BPA said could be done by modifying the BPA. Moreover, as noted in our report, we found instances where the USMS awarded call orders that would appropriately be considered time-and-materials, not labor-hour, which seems to indicate that awarding call orders under different contract types is possible. Nonetheless, we acknowledge the USMS's response and believe that in consideration of FAR 16.104(e), the USMS should consider awarding fixed-priced call orders under the current BPA.

This recommendation can be closed when we receive evidence that the USMS has developed and implemented a control to ensure that contracting officials comply with FAR 16.104(e) and consider utilizing fixed-price call orders, or portions of call orders, rather than labor-hour call orders.

- 8. Develop and implement a control to ensure determinations & findings (D&F) are completed for non-firm-fixed-price call orders, as required by FAR Subpart 8.404(h)(3).**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that for the current BPA, the USMS will develop a D&F for the final option period that covers all orders to meet the requirements of FAR 8.404 (h)(3). The USMS also stated that if there are any variances in orders that are not covered under the D&F, individual D&Fs will be included. The USMS stated that this action will be implemented by the end of FY 2026. Further, the USMS stated that for any new contracts, the USMS will develop and implement a control for the completion of D&Fs on individual call orders that is dependent on the contract type and the FAR requirements. The USMS stated that this action will be implemented after October 1, 2025. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has developed and implemented a control to ensure D&Fs are completed for non-firm-fixed-price call orders, as required by FAR Subpart 8.404(h)(3).

9. Evaluate the structure and management of Mayvin staff on call orders to ensure the USMS is not inappropriately exercising a personal services contract.

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that USMS Policy Directive 6.1 states that COs must properly execute a written delegation of authority of assigning CORs under any specific contract and that a delegation memorandum template has been created to meet DOJ Policy Instruction 1301.03.01. Further, the USMS stated that DOJ Policy Instruction 1301.03.01 specifically requires that each delegation memorandum include monitoring and surveillance, inspection and acceptance, invoices and payments, and evaluating performance. Additionally, the USMS stated that, as discussed in response to Recommendation 1, COR training will be provided to manage and strengthen contract management and oversight practices, which will be conducted prior to the end of FY 2026. As a result of these planned actions and responses to other recommendations, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has evaluated the structure and management of Mayvin staff on call orders to ensure the USMS is not inappropriately exercising a personal services contract.

10. Remedy the \$24,572 in unallowable costs related to Mayvin not performing the quality control plan agreed to in the BPA.

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that after reviewing the quality control plan that is incorporated into the BPA, USMS COs will meet with representatives from Mayvin to develop a more robust plan to ensure all parties comply with quality control efforts. Additionally, the USMS stated that the USMS PD will ensure that all CORs understand the quality control plan and that the CORs are informing the COs when issues arise. The USMS stated that these actions will be completed prior to the conclusion of FY 2026. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has remedied the \$24,572 in unallowable costs related to Mayvin not performing the quality control plan agreed to in the BPA. As part of the USMS's efforts to remedy the unallowable costs, we believe the USMS should discuss with Mayvin the potential of the funds being returned to the USMS.

11. Ensure the contractor utilizes its quality control plan to help mitigate risk of contract nonperformance and ensure the USMS receives the full value of the contracted services.

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that, as noted in its response to Recommendation 10, USMS COs will review the quality control plan incorporated in the BPA and meet with representatives from Mayvin to develop a more robust plan to ensure all parties are complying with quality control efforts. Additionally, the USMS stated that its

COs will ensure that all reports required by the quality control plan are submitted in a timely manner. The USMS stated these actions will be completed prior to the conclusion of FY 2026. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has ensured the contractor utilizes its quality control plan to help mitigate risk of contract nonperformance and ensure the USMS receives the full value of the contracted services.

- 12. Ensure its personnel are aware of and conduct all necessary contract oversight, including annual reviews of the BPA; utilizing the Quality Assurance Surveillance Plan (QASP); performing and entering contractor performance evaluations into the Contractor Performance Assessment Reporting System (CPARS); and properly designating and documenting responsibilities for contract performance monitoring.**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that it will document the annual BPA reviews and ensure the reviews are loaded into the contracting file. Additionally, the USMS stated that the USMS PD will ensure that CORs are fully aware of the quality control plan, understand their role in contract performance/monitoring, and are cognizant of their requirement to complete reports and supply that information to the COs. Further, the USMS stated that it will register all BPA calls in CPARS and ensure all performance evaluations are completed after each ordering period has concluded. The USMS stated that these actions will be completed prior to the conclusion of FY 2026. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has ensured its personnel are aware of and conduct all necessary contract oversight, including annual reviews of the BPA; utilizing the QASP; performing and entering contractor performance evaluations into CPARS; and properly designating and documenting responsibilities for contract performance monitoring.

- 13. Work with Mayvin to remedy \$50,686 in unallowable costs related to bills against call orders that did not fully align with the individual line item ceilings within call orders.**

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that the USMS PD will conduct remedial training to all CORs and other parties who are tasked with receiving and reviewing invoices to ensure that all invoices are properly submitted and vetted. Additionally, the USMS stated that the USMS PD will work with Mayvin to ensure that all invoices submitted align with the proper call order line items. Further, the USMS stated that the USMS PD will ensure that both USMS approving officials and Mayvin representatives allow sufficient time for all invoices to be thoroughly reviewed prior to final submission. The USMS stated that these actions will be completed prior to the conclusion of FY 2026. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has remedied the \$50,686 in unallowable costs related to bills against call orders that did not fully align with the individual line item ceilings within call orders.

14. Identify and remedy the internal control weakness that resulted in billing errors and address the inaccurate information reported in its financial system.

Resolved. The USMS concurred with our recommendation. The USMS stated in its response that the USMS PD will meet with all CORs to ensure they are properly managing their orders and identify any weaknesses that necessitate appropriate training to address the deficiencies. In addition, the USMS stated that while it currently requires substantial financial systems training, it may be necessary to develop further training and job aids to adequately address any deficiencies. The USMS stated it will work with the appropriate USMS personnel to develop and institute any additional training that may be required. The USMS also stated that these actions will be completed prior to the conclusion of FY 2026. As a result, this recommendation is resolved.

This recommendation can be closed when we receive evidence that the USMS has identified and remedied the internal control weakness that resulted in billing errors and addressed the inaccurate information reported in its financial system.