



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

# **The U.S. Fish and Wildlife Service Needs To Improve Its Evaluation, Documentation, and Award of Contracts Subject to Certified Cost or Pricing Data Requirements**

**This is a revised version of the report prepared for public release.**



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

SEP 21 2021

Memorandum

To: Alicia Weber  
Acting Head of the Contracting Activity, U.S. Fish and Wildlife Service

Scott Morton  
Head of the Contracting Activity, U.S. Geological Survey

From: Mark Lee Greenblatt   
Inspector General

Subject: Final Evaluation Report – *The U.S. Fish and Wildlife Service Needs To Improve Its Evaluation, Documentation, and Award of Contracts Subject to Certified Cost or Pricing Data Requirements*  
Report No. 2020-FIN-010

This report presents the results of our evaluation of nine noncommercial, noncompetitive contracts awarded by the U.S. Fish and Wildlife Service (FWS) using funds from the Bipartisan Budget Act of 2018. Our objective was to determine whether the FWS complied with applicable Federal regulations and internal policies regarding certified cost or pricing data.

We make eight recommendations to help the FWS improve its application and evaluation of certified cost or pricing data requirements to its procurements. Based on the FWS response to our draft report, we consider all eight recommendations to be resolved but not implemented.

During fieldwork we examined six contracts awarded by the U.S. Geological Survey (USGS), but we determined they were exempt from the requirement for certified cost or pricing data, so we have no findings or recommendations for the USGS.

We will refer Recommendations 1 – 8 to the Office of Policy, Management and Budget for implementation tracking and to report to us on their status. In addition, we will notify Congress about our findings, and we will report semiannually, as required by law, on actions you have taken to implement the recommendations and on recommendations that have not been implemented. We will also post a public version of this report on our website.

If you have any questions, please contact me or Melanie Sorenson, Acting Assistant Inspector General for Audits, Inspections, and Evaluations, at 202-208-5745.

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# Results in Brief

## What We Evaluated

We evaluated all U.S. Department of the Interior (DOI) contracts awarded under the Bipartisan Budget Act of 2018, which provided funding for disaster recovery, that required obtaining certified cost or pricing data—specifically, nine contracts awarded by the U.S. Fish and Wildlife Service (FWS). Contracting officers use certified cost or pricing data to help determine whether a contractor’s proposed pricing is fair and reasonable. Our objective was to determine whether the contract awards complied with applicable Federal regulations and internal policies regarding certified cost or pricing data.

## What We Found

Across the nine contracts we evaluated, we found the FWS could improve its contract evaluation and award process and documentation related to certified cost or pricing data requirements. Specifically, we found that the FWS did not comply with Federal regulations and internal policies because:

- Eight contracts did not have requested certified cost or pricing data documented in the procurement file.
- For eight contracts, the FWS did not properly apply cost or pricing data requirements during the acquisition planning and award processes.
- One contract had insufficient support for the required certified cost or pricing data.

## Why This Matters

Contracts awarded for disaster recovery, including contract modifications, are inherently risky because they are often awarded quickly and without competition. The Government can mitigate the risk by obtaining certified cost or pricing data, as required by the Federal Acquisition Regulation. Obtaining certified cost or pricing data provides the contracting officer greater visibility into the proposed price as well as greater assurance that the price is fair and reasonable. The contractor must also certify its price as accurate, complete, and current.

## What We Recommend

We make eight recommendations to help the FWS improve its application and evaluation of certified cost or pricing data requirements to its procurements. Based on the FWS response to our draft report, we consider all eight recommendations resolved but not implemented. We will refer Recommendations 1 – 8 to the Office of Policy, Management and Budget for implementation tracking.

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# Introduction

## Objective

We evaluated all U.S. Department of the Interior (DOI) contracts awarded under the Bipartisan Budget Act of 2018 that required obtaining certified cost or pricing data—specifically, nine contracts awarded by the U.S. Fish and Wildlife Service (FWS)—to determine whether they complied with applicable Federal regulations and internal policies regarding certified cost or pricing data.

See Appendix 1 for the evaluation scope and methodology.

## Background

On February 9, 2018, the U.S. Congress passed the Bipartisan Budget Act of 2018 (Pub. L. No. 15-123), which provided funding for recovery from the 2017 wildfires and Hurricanes Harvey, Irma, and Maria. The FWS received \$210,629,000 in supplemental appropriations as part of the legislation.

In awarding this funding, contracting officers (COs) must adhere to the Federal Acquisition Regulation (FAR), which governs the acquisition process for executive branch agencies, as well as the DOI Acquisition, Assistance, and Asset Policy (DOI-AAAP). When applicable, COs use criteria in FAR part 15.4 to establish a fair and reasonable price. For noncompetitive awards above a certain threshold, increased price proposal requirements apply to ensure the Government is obtaining a fair and reasonable price for services rendered. Specifically, COs must obtain certified cost or pricing data for contracts over \$750,000 awarded before July 1, 2018, and for contracts over \$2 million awarded on or after July 1, 2018, unless an exception in FAR § 15.403-1(b) applies.<sup>1</sup> In addition, in accordance with FAR § 15.4, contractors must certify to the accuracy, completeness, and currency of their proposals.

We identified nine contracts the FWS awarded between February 2018 and October 2019 that required obtaining certified cost or pricing data: four sole-source awards and five task order awards.<sup>2</sup>

Per FAR § 15.408, Table 15-2, cost or pricing data are all the facts that prudent buyers and sellers would reasonably expect to significantly affect price negotiations. Cost or pricing data are factual, verifiable, and not judgmental. They include such information as vendor quotes, make-or-buy decisions, breakdown of labor hours and costs, calculation of indirect rates, nonrecurring costs, and information on management decisions that could have a significant bearing on costs.

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<sup>1</sup> The \$2 million threshold was not applicable to the contracts we evaluated because they were awarded prior to the August 2020 effective date. The regulation pertains to contracts awarded on or after July 1, 2018, but its effective date was not until August 2020 because approval of the threshold change took approximately 2 years to complete.

<sup>2</sup> During fieldwork we also examined six contracts awarded by the U.S. Geological Survey, but we determined they were exempt from the requirement for certified cost or pricing data (see Appendix 1 for more detail).

Obtaining certified cost or pricing data from the contractor provides the CO with greater visibility into the proposed price and helps the CO determine whether it is fair and reasonable. Obtaining certified cost or pricing data offers the Government protection and remedies if these data are later found to be inaccurate, incomplete, or outdated.

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# Findings

We found that the FWS did not comply with applicable Federal regulations regarding certified cost or pricing data for the nine contracts we evaluated. Specifically, we determined:

- Eight contracts did not have requested certified cost or pricing data documented in the procurement file.
- For eight contracts, the FWS did not properly apply cost or pricing data requirements during the acquisition planning and award processes.
- One contract had insufficient support for the required certified cost or pricing data.

## **The FWS Did Not Request Certified Cost or Pricing Data for Eight Contracts**

For eight of the nine contracts we evaluated, the FWS should have requested certified cost or pricing data but did not. The COs did not do so because they determined that the contracts were exempt from the requirement, but the contract files do not provide a detailed explanation to support those determinations. By not requiring certified cost or pricing data, the FWS increased the risk that it would not obtain a fair and reasonable price.

According to the FAR, before awarding a contract over the \$750,000 threshold, the Government must determine whether the proposed contract is subject to certified cost or pricing data requirements or whether an exemption applies. FAR § 15.403-1(b) provides the following exemptions:

- When the CO determines that prices agreed upon are based on adequate price competition
- When the CO determines that prices agreed upon are based on prices set by law or regulation
- When a commercial item is being acquired
- When a waiver has been granted
- When modifying a contract or subcontract for commercial items

In these eight contracts, the FWS used price analysis to apply the first exception. Price analysis can be used to establish adequate price competition when it clearly demonstrates that the proposed price is reasonable compared to current or recent prices for the same or similar items. However, when we examined the price analysis and supporting documentation in the procurement files, we found:

- For six contracts, the FWS did not provide thorough or enough detail in the price analysis to justify an exception to the requirement for certified cost or pricing data. In each case, the FWS documented that the proposed prices were reasonable based on a comparison with current or recent prices, but none of the documentation included the contracts used for the comparison, justification that the current or recent prices were a valid basis for comparison, any adjustments made to the pricing, or the analytical procedures used to compare the prices. DOI-AAAP-0024 requires COs to document thorough and detailed price or cost analysis in the procurement file. The FWS contracting policies reflect this departmental policy.
- For two contracts, the CO relied solely on an Independent Government Cost Estimate (IGCE) to determine a fair and reasonable price. This does not comply with DOI-AAAP-0024, which states that comparison to an IGCE is not adequate as the sole basis for determining that the price is fair and reasonable.

### **Recommendations**

We recommend that the FWS:

1. Develop and implement policies and procedures for documenting a thorough and detailed price or cost analysis
2. Review the eight contracts we evaluated to determine whether certified cost or pricing data are needed and work with the Office of the Solicitor to determine any appropriate next steps
3. Review the sample of seven open noncommercial, noncompetitive procurements identified by the Office of Inspector General that are valued above the FAR threshold to ensure that negotiation documentation was completed in accordance with FAR § 15.403 and DOI-AAAP-0024

## **The FWS Did Not Properly Apply Cost or Pricing Data Requirements During the Acquisition Planning and Award Processes**

The CO determines whether cost or pricing data are required during acquisition planning. When certified cost or pricing data are needed, FAR § 15.408(b) requires COs to insert the “Price Reduction for Defective Certified Cost or Pricing Data” clause (FAR § 52.215-10) in solicitations and the subsequent contract. The presence of this clause in the solicitation indicates that certified cost or pricing data are required for the procurement, and its presence in the contract allows the Government to pursue remedies if the data are determined deficient after the award is made. We determined that all nine contracts were subject to certified cost or pricing data. We found that the COs evaluated the cost or pricing data requirement at the wrong time in the process and did not include the required FAR clause consistently across the solicitations and the contracts.

For eight of the nine contracts, the COs completed their determination of whether certified cost or pricing data were required during the review of proposals, rather than during the planning process. If solicitations are issued and proposals are due before this determination is made, contractors preparing proposals do not know whether certified cost or pricing data are required. This approach can cause delays if the CO needs to ask a contractor to revise its proposal.

Further, for five of the contracts, we found inconsistencies in the inclusion of FAR § 52.215-10 between the solicitation and contract. Sometimes the clause was not in the solicitation but was included in the contract and vice versa. In addition, we found that two of the solicitations and five of the contracts included FAR § 52.215-10 even though the CO had concluded that certified cost or pricing data were not required. Contractors and the Government need to know what requirements should be and have been agreed to. Any ambiguity can cause disputes, delays, or unnecessary modifications.

These inconsistencies occurred because the FWS had no guidance regarding certified cost or pricing data requirements and because the contracting staff we interviewed had little experience or training. Specifically, only two of eight staff members we interviewed had extensive experience with the topic. None of the staff members we interviewed were aware of any guidance or standard operating procedures related to certified cost or pricing data. In addition, none of them had had any training on certified cost or pricing data requirements in the past 5 years.

We also learned that contracting staff sometimes misunderstood the requirements of the FAR. A Branch Chief for Acquisition of Goods and Services told us that this type of procurement is uncommon, and another staff member stated that, during legal review of his contract, no issues concerning certified cost or pricing data were identified. By failing to apply the FAR requirements, the FWS lost an opportunity to obtain information that would determine a fair and reasonable price.

Training and guidance or policies and procedures for obtaining certified cost or pricing data would provide stronger internal controls in accordance with the *Standards for Internal Control in the Federal Government*.

Certified cost or pricing data are vital for contract pricing transparency and accountability. These data provide assurance the DOI will pay a fair and reasonable price and must be certified by the contractor as accurate, complete, and current.

## Recommendations

We recommend that the FWS:

4. Develop and implement guidance explaining the procedures for evaluation of certified cost or pricing data
5. Provide training to contracting staff regarding contract proposals subject to certified cost or pricing data requirements
6. Review future solicitations and contracts above the FAR threshold for applicable certified cost or pricing data clauses and document compliance
7. Develop procedures to ensure a determination of whether cost or pricing data are required is made before a solicitation is issued

## The FWS Awarded a Contract That Contained Insufficient Support for Certified Cost or Pricing Data

The FWS did not obtain a compliant proposal from the contractor before negotiating and awarding Contract No. [REDACTED]. This contract was a design and build contract that required the submission of certified cost or pricing data. FAR § 15.408, Table 15-2, identifies the requirements for a compliant proposal, which include:

- For direct labor costs, provide a time-phased (monthly, quarterly, etc.) breakdown of labor hours, rates, and costs by appropriate category, and furnish bases for estimates.
- For indirect costs, indicate how they have been calculated and applied, including cost breakdowns.
- For all other costs, provide data showing the basis for establishing source and reasonableness of the price.

The FWS did not obtain the required information in sufficient detail. When we evaluated the proposal for FAR compliance, we found the individual elements of the indirect cost rate were not identified and a lack of support for how the rates were developed. There was also no supporting information showing the source or reasonableness of other costs proposed (e.g., travel and excavation costs).

The support required by the FAR helps COs identify any unreasonable or unallowable costs to ensure the Government obtains a fair and reasonable price. Conversely, the absence of such information may leave COs at a disadvantage in assessing proposed costs. For example, in this proposal, we noticed that no support was provided for travel costs that appeared to be unreasonable. The contractor proposed \$300 per night for lodging, without support; we researched lodging for the area using the General Services Administration's Federal Travel

Regulations and found that the approved lodging rate was \$96 per night, a substantial difference. As a result, we informed the FWS, which reduced the price of the contract by \$21,932. We also evaluated two revised proposals and determined they contained similar deficiencies.

The FWS stated the contractor was a small business and did not understand the requirements of cost or pricing data. The FWS made many requests for the support needed to evaluate the proposal, which the contractor never provided. Ultimately, the FWS accepted the proposal as a reasonable basis for negotiations to obligate the funds quickly.

By not enforcing FAR requirements for this design and build contract, the FWS did not obtain the cost or pricing data needed to ensure fair and balanced negotiations (the same baseline of information for both the FWS and the contractor); protect the Government from inaccurate, incomplete, or outdated prices; or hold the contractor accountable for providing fair and reasonable prices.

<b>Recommendation</b>
We recommend that the FWS:  8. Review Contract No. [REDACTED] to determine whether certified cost or pricing data are needed and work with the Office of the Solicitor to determine any appropriate next steps

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# Conclusion and Recommendations

## Conclusion

In absence of competition to ensure the best possible pricing, the Government must have assurance it will pay a fair and reasonable price for products and services. Obtaining certified cost or pricing data as required by the FAR provides pricing transparency and accountability, allows negotiations to be fair and reasonable, and prevents contractor pricing that is inaccurate, incomplete, or outdated.

The FWS did not comply with applicable Federal regulations regarding certified cost or pricing data for all nine contracts we evaluated. We found problems in the contract planning process and documentation related to certified cost or pricing data requirements.

We make eight recommendations to help the FWS improve its application and evaluation of certified cost or pricing data requirements to its procurements.

## Recommendations Summary

We issued a draft version of this report to the FWS for review and response. Based on the response, we consider all eight recommendations resolved but not implemented. See Appendix 2 for the full text of the FWS response and Appendix 3 for the status of recommendations.

We recommend that the FWS:

1. Develop and implement policies and procedures for documenting a thorough and detailed price or cost analysis

**FWS Response:** The FWS concurred with our finding and recommendation. It stated that it will add a section in its *Contracting Officer's Handbook* on obtaining certified cost or pricing data, which it states will “provide the standard for documenting compliance and a template to ensure detailed analysis and [determination and findings] for the contract file.” The FWS also explained that the information will be covered in the training identified in the FWS response to Recommendation 5.

**OIG Comment:** Based on the response received, we consider Recommendation 1 resolved but not implemented.

2. Review the eight contracts we evaluated to determine whether certified cost or pricing data are needed and work with the Office of the Solicitor to determine any appropriate next steps

**FWS Response:** The FWS concurred with our finding and recommendation. It stated that it will review the identified contracts in accordance with the FAR to decide whether certified cost or pricing data were needed. It also stated that the COs, contract specialists,

and the Office of the Solicitor will coordinate to “determine lessons learned for future actions.” The FWS will also obtain an opinion from the Office of the Solicitor.

**OIG Comment:** Based on the response received, we consider Recommendation 2 resolved but not implemented.

3. Review the sample of seven open noncommercial, noncompetitive procurements identified by the Office of Inspector General that are valued above the FAR threshold to ensure that negotiation documentation was completed in accordance with FAR § 15.403 and DOI-AAAP-0024

**FWS Response:** The FWS did not concur with our finding and original recommendation to review “any open noncommercial, noncompetitive procurements valued above the FAR threshold to ensure that negotiation documentation was completed in accordance with FAR § 15.403 and DOI-AAAP-0024.” The FWS stated that reviewing all open procurements would be “burdensome and cost prohibitive” and that requesting such data after award of binding contracts would be “burdensome” for the contractors. The FWS expressed the opinion that “implementation of the recommendations to improve guidance, determinations, and training will ensure that future contracts are properly assessed and documented for certified cost and pricing data.”

The FWS stated that it would instead make a “best effort, as practicable, to review active contracts meeting the FAR criteria and threshold.” The COs, contract specialists, and the Office of the Solicitor will coordinate to determine lessons learned for future actions. The FWS also stated that, as part of its internal control process, the annual Acquisition Management Review will include a check on the applicability and documentation of certified cost and pricing data for a sample set of prior fiscal year contracts.

**OIG Comment:** Based on the FWS’ response and further discussions and analysis, we modified the original recommendation. In particular, rather than requiring the FWS to review all 285 open contracts that, as of July 2021, would fall within the scope of the original recommendation, we agreed to target this recommendation to potential contracts that we viewed as being at particular risk of noncompliance. We reviewed specific data fields to identify such contracts, and based on our analysis of those fields, we provided the FWS a list of seven contracts from fiscal years 2020 and 2021 that should be part of its implementation of this recommendation. The FWS agreed to review the seven contracts that we identified. Based on the response received and our followup with the FWS, we consider the revised Recommendation 3 resolved but not implemented.

4. Develop and implement guidance explaining the procedures for evaluation of certified cost or pricing data

**FWS Response:** The FWS concurred with our finding and recommendation. It stated that it will add a section in its *Contracting Officer’s Handbook* on obtaining certified cost or pricing data, which it stated “will provide the standard for documenting compliance and a template to ensure detailed analysis and [determination and findings] for the contract

file.” The FWS also stated that the information will be covered in the training identified in the FWS response to Recommendation 5.

**OIG Comment:** Based on the response received, we consider Recommendation 4 resolved but not implemented.

5. Provide training to contracting staff regarding contract proposals subject to certified cost or pricing data requirements

**FWS Response:** The FWS concurred with our finding and recommendation. It represented that it is scheduled to deliver mandatory training to the acquisition workforce on the requirements for certified cost or pricing data, including evaluations. It also stated that the live web-based training will take place in early fiscal year 2022, and the recording and supporting materials will be made available to all FWS staff no later than December 31, 2021, for future review and refresher training.

**OIG Comment:** Based on the response received, we consider Recommendation 5 resolved but not implemented.

6. Review future solicitations and contracts above the FAR threshold for applicable certified cost or pricing data clauses and document compliance

**FWS Response:** The FWS concurred with our finding and recommendation. It stated that it will create and use a standard form for review of certified cost and pricing data that will include documentation of compliance with required FAR clauses in solicitations and awards. The FWS also stated that a check for the applicability of certified cost and pricing data will be added to the internal review process for solicitations and contracts.

**OIG Comment:** Based on the responses received, we consider Recommendation 6 resolved but not implemented.

7. Develop procedures to ensure a determination of whether cost or pricing data are required is made before a solicitation is issued

**FWS Response:** The FWS concurred with our finding and recommendation. It will create and use a standard form for review of certified cost and pricing data that will include documentation of compliance and required FAR clauses in solicitations and awards. It also stated that a check for the applicability of certified cost and pricing data will also be added to the internal review process for solicitations and contracts.

**OIG Comment:** Based on the response received, we consider Recommendation 7 resolved but not implemented.

8. Review Contract No. [REDACTED] to determine whether certified cost or pricing data are needed and work with the Office of the Solicitor to determine any appropriate next steps

**FWS Response:** The FWS concurred with our finding and recommendation. It stated that it will review the identified contract in accordance with the FAR to decide whether certified cost or pricing data were needed. The FWS also stated that the CO, contract specialist, and the Office of the Solicitor will coordinate to determine lessons learned for future actions. The FWS will also obtain an opinion from the Office of the Solicitor.

**OIG Comment:** Based on the response received, we consider Recommendation 8 resolved but not implemented.

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# Appendix 1: Scope and Methodology

## Scope

We evaluated all contracts issued by the U.S. Department of the Interior (DOI) under the Bipartisan Budget Act of 2018 through October 21, 2019, that were subject to certified cost or pricing data requirements. These comprised nine contracts awarded by the U.S. Fish and Wildlife Service (FWS): four sole-source awards and five task order awards. We examined the acquisition process up to and including award (solicitation, proposal, evaluation, and award) for compliance with applicable Federal regulations and internal policies related to certified cost or pricing data.

## Methodology

We conducted our evaluation in accordance with the *Quality Standards for Inspection and Evaluation* as put forth by the Council of the Inspectors General on Integrity and Efficiency. We believe that the work performed provides a reasonable basis for our conclusions and recommendations.

To accomplish our objective, we:

- Evaluated all DOI contracts that required certified cost or pricing data issued under the Bipartisan Budget Act of 2018. We excluded all those that met one of the exceptions identified in FAR § 15.403-1 (e.g., under \$750,000 and recorded as commercial or competitive). This left 15 contracts—nine FWS contracts and six U.S. Geological Survey (USGS) contracts. During fieldwork we learned the six USGS contracts we selected were architectural and engineering contracts, which are exempt from certified cost or pricing data requirements because they are competitively awarded under FAR § 36.601-2. Thus, we removed the USGS contracts from our objective and scope.
- Gained an understanding of the Federal Acquisition Regulation and DOI guidance related to certified cost or pricing data requirements.
- Interviewed contracting officers and other appropriate individuals at the FWS and the USGS.
- Gained an understanding of the FWS' and the USGS' internal controls over contracts requiring certified cost or pricing data.
- Examined supporting documentation related to price analysis provided by the FWS and the USGS.
- Examined selected solicitations provided by the FWS and their related contracts.

Our evaluation included obtaining an understanding of internal controls over the contract award process; assessing the risk that a material weakness existed; assessing the design and operating effectiveness of internal controls based on the assessed risk; and performing such other procedures as we considered necessary.

We relied on computer-generated information from the DOI's Federal Business Management System to determine the universe of contracts potentially subject to the certified cost or pricing data requirements. To assess the reliability of the computer-generated information, we performed testing for obvious errors and reviewed related supporting documentation. We determined that the data were sufficiently reliable for the purposes of this evaluation.

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## **Appendix 2: Response to Draft Report**

The U.S. Fish and Wildlife Service's response to our draft report follows on page 16.

In Reply Refer To:  
FWS/MA/PERMA/RM/ 075225

Ms. Kimberly McGovern  
Assistant Inspector General for Audits, Inspections, and Evaluations  
U.S. Department of the Interior  
Office of the Inspector General  
1849 C Street, NW, MS 4428  
Washington, DC 20240

Dear Ms. McGovern,

Thank you for the opportunity to comment on and respond to the draft evaluation report *The U.S. Fish and Wildlife Service Needs To Improve Its Evaluation, Documentation, and Award of Contracts Subject to Certified Cost or Pricing Data Requirements* (2020-FIN-010). Resolving audit issues continues to be an agency priority, and the Service values the opportunity to improve.

The Service's responses to the recommendations in the draft report and the Service's planned actions to address the recommendations are listed below. If you require additional information, please contact Ms. Katherine Garrity via Teams or at [Katherine\\_garrity@fws.gov](mailto:Katherine_garrity@fws.gov).

**Recommendation 1:**

Develop and implement policies and procedures for documenting a thorough and detailed price or cost analysis.

**Response:**

Concur. The Service will add a section in the Contracting Officer's Handbook on obtaining certified cost or pricing data. The section will provide the standard for documenting compliance and a template to ensure detailed analysis and D&F for the contract file. The information will be covered in the training identified in Recommendation 5.

**Target Date:** December 31, 2021

**Responsible Official:** Alicia Weber, Head of the Contracting Activity

**Recommendation 2:**

Review the eight contracts we evaluated to determine whether certified cost or pricing data are needed and work with the Office of the Solicitor to determine any appropriate next steps

**Response:**

Concur. The Service will review the identified contracts in accordance with Federal Acquisition Regulations to decide if certified cost and pricing data was needed. Coordination will take place with the Contracting Officers, Contract Specialists, and the Office of the Solicitor to determine lessons learned for future actions. An opinion from the Office of the Solicitor will be provided.

**Target Date:** December 31, 2021

**Responsible Official:** Alicia Weber, Head of the Contracting Activity

**Recommendation 3:**

Review any open noncommercial, noncompetitive procurements valued above the FAR threshold to ensure that negotiation documentation was completed in accordance with FAR § 15.403 and DOI-AAAP-0024

**Response:**

Do not concur. It is burdensome and cost prohibitive for the Service to review all open procurements and would be burdensome on the contractors to request such data after award of binding contracts. With the implementation of the recommendations to enhance guidance, determinations, and training, the Service will ensure future contracts are properly assessed and documented for certified cost and pricing data.

However, the Service will make a best effort as practicable to review active contracts meeting the FAR criteria and threshold. Coordination will take place with the Contracting Officers, Contract Specialists, and the Office of the Solicitor to determine lessons learned for future actions. A check on the applicability and documentation of certified cost and pricing data will be included in the annual Acquisition Management Review conducted on a sample set of previous FY contracts as part of the Service's internal control process.

**Target Date:** December 31, 2021

**Responsible Official:** Alicia Weber, Head of the Contracting Activity

**Recommendation 4:**

Develop and implement guidance explaining the procedures for evaluation of certified cost or pricing data

**Response:**

Concur. The Service will add a section in the Contracting Officer's Handbook on obtaining certified cost or pricing data. The section will provide the standard for documenting compliance and a template to ensure detailed analysis and D&F for the contract file. The information will be covered in the training identified in Recommendation 5.

**Target Date:** December 31, 2021

**Responsible Official:** Alicia Weber, Head of the Contracting Activity

**Recommendation 5:**

Provide training to contracting staff regarding contract proposals subject to certified cost or pricing data requirements

**Response:**

Concur. The Service is scheduled to deliver mandatory training to the Acquisition Workforce on the requirements for certified cost or pricing data including evaluations. The live web-based training will take place in early FY22, and the recording and supporting materials will be made available to all Service members for future review and refresher training no later than December 31, 2021.

**Target Date:** December 31, 2021

**Responsible Official:** Alicia Weber, Head of the Contracting Activity

**Recommendation 6:**

Review future solicitations and contracts above the FAR threshold for applicable certified cost or pricing data clauses and document compliance

**Response:**

Concur – The Service will create and utilize a standardized form specific to certified cost and pricing data that will include documentation of compliance with clause prescription in solicitations and awards. A check for the applicability of certified cost and pricing data will also be added to the internal review process for solicitations and contracts.

**Target Date:** December 31, 2021

**Responsible Official:** Alicia Weber, Head of the Contracting Activity

**Recommendation 7:**

Develop procedures to ensure a determination of whether cost or pricing data are required is made before a solicitation is issued

**Response:**

Concur – The Service will create and utilize a standardized form specific to certified cost and pricing data that will include documentation of compliance with clause prescription in solicitations and awards. A check for the applicability of certified cost and pricing data will also be added to the internal review process for solicitations and contracts.

**Target Date:** December 31, 2021

**Responsible Official:** Alicia Weber, Head of the Contracting Activity

**Recommendation 8:**

Review Contract No. [REDACTED] to determine whether certified cost or pricing data are needed and work with the Office of the Solicitor to determine any appropriate next steps

**Response:**

Concur. The Service will review the identified contract in accordance with Federal Acquisition Regulations to decide if certified cost and pricing data was needed. Coordination will take place with the Contracting Officer, Contract Specialist, and the Office of the Solicitor to determine lessons learned for future actions. An opinion from the Office of the Solicitor will be provided.

**Target Date:** December 31, 2021

**Responsible Official:** Alicia Weber, Head of the Contracting Activity

Sincerely,

Martha Williams  
Principal Deputy Director  
Exercising the Delegated Authority of the Director  
U.S. Fish and Wildlife Service

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## Appendix 3: Status of Recommendations

Recommendation	Status	Action Required
1 - 8	Resolved but not implemented	We will refer these recommendations to the Office of Policy, Management and Budget for implementation tracking.

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# Report Fraud, Waste, and Mismanagement



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