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Management Assistance Report: Contract Management—Lessons Learned From Embassy Kabul, Afghanistan, Operations and Maintenance Contract

MANAGEMENT ASSISTANCE REPORT

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Summary of Review

PAE Government Services, Inc. (PAE) presently serves as the operations and maintenance (O&M) contractor at U.S. Embassy Kabul, Afghanistan. The O&M contract requires PAE to provide engineering, management, logistics, and administrative services to operate and maintain the embassy compound and its support facilities. The O&M contract with PAE is set to expire in September 2016. The Department of State (Department) is in the process of establishing requirements and awarding a worldwide O&M contract, which will include support services for Embassy Kabul.

The Office of Inspector General (OIG) recently completed a review of the O&M contract at Embassy Kabul and discovered the O&M contract does not have specific performance metrics in the statement of work to assess accurately PAE's performance in fulfilling contract requirements. In particular, OIG found that the statement of work requires PAE only to "operate and maintain" the various utility systems on compound and does not provide more specific details on what tasks should be executed by PAE. As a result, PAE did not consistently perform necessary preventative maintenance functions, which, in some cases, caused major equipment systems, such as the chillers and the wastewater treatment plant, to fail or work improperly.

In addition, the Department did not have a sufficient number of staff to oversee the contract. Specifically, OIG found that the workload of the deputy facility manager did not allow him to successfully perform his duties as the contracting officer's representative. OIG also found that no alternate contracting officer's representative had been assigned to the contract. These staffing issues contributed to oversight gaps and an incomplete contract file. Consequently, PAE was directed to perform work by staff without the delegated authority to do so. Further, because the contract file was incomplete, the embassy relied upon PAE for historical data outlining contract modifications and performance records related to maintenance operations; as a result, the embassy was not in a position to remove PAE from the contract had PAE's performance not improved after it was placed on a corrective action plan in 2014.

OIG also found that the contracting officer added three services to the O&M contract, at a cost of \$11.8 million, which were outside the scope of the contract. The Federal Acquisition Regulation requires the Government to compete contracts for services to ensure that it receives a fair and reasonable price for those services, or to prepare adequate justification for other than full and open competition. However, the embassy added these support services to the contract without performing necessary acquisition planning or justifying why open competition was not pursued for the services.

OIG is issuing this Management Assistance Report to make the Department aware of the deficiencies identified so they may be addressed during the development of contract requirements for the new worldwide O&M contract. OIG is making three recommendations to the Bureau of Administration to help ensure the new worldwide O&M contract includes clearly defined and measurable performance metrics and to ensure that out-of-scope services are not added to the future O&M contract. In addition, OIG is making two recommendations to the Bureau of Overseas Buildings Operations to help ensure sufficient oversight of the O&M contract at Embassy Kabul. Both bureaus and the embassy concurred with all five recommendations in the report; formal comments provided by the Bureau of Overseas Buildings

Operations, the Bureau of Administration, and Embassy Kabul, Afghanistan are included in their entirety in Appendices A-C.

BACKGROUND

PAE Government Services, Inc. (PAE) presently serves as the operations and maintenance (O&M) contractor at U.S. Embassy Kabul, Afghanistan, and at other Department of State (Department) compounds in Afghanistan, such as Camp Sullivan. The O&M contract (Contract SAQMMA-11-D-0074), valued at approximately \$119 million, requires PAE to provide engineering, management, logistics, and administrative services to operate and maintain the embassy compound and its support facilities.¹ The 5-year contract was awarded on March 29, 2011. As of March 2016, the amount obligated to the contract was approximately \$119 million, and the contract is set to expire in September 2016.

The Bureau of Administration's Office of Acquisitions Management,² in coordination with the Bureau of Overseas Buildings Operations' Office of Facility Management,³ was, at the time of the review, in the process of establishing requirements and awarding a worldwide O&M contract. This worldwide contract will include support services for Embassy Kabul. This new contract is intended to standardize the O&M contract across embassies worldwide and will include a list of support services in a standardized statement of work.

Operations and Maintenance Contract at U.S. Embassy Kabul, Afghanistan

At Embassy Kabul, PAE provides support services ranging from maintaining and repairing the heating and ventilation systems to operating a water sanitation facility to treat wastewater on the compound. Table 1 lists the types of support services provided under the O&M contract and the total costs associated with those services at Embassy Kabul from April 2011 through September 2016.

¹ The O&M contract, Contract SAQMMA-11-D-0074, is a hybrid contract that includes a fixed price for scheduled O&M and an indefinite delivery/indefinite quantity for time and materials for unscheduled work on the embassy compound.

² The Office of Acquisitions Management is located under the Bureau of Administration's Office of Logistics Management.

³ The Office of Facility Management is located under the Bureau of Overseas Buildings Operations' Office of Construction, Facility, and Security Management.

Table 1: Embassy Kabul O&M Support Services Costs: April 2011–September 2016

Service	Total Cost
Utilities maintenance technical services	\$18,754,936
Electrical generation and distribution system	\$13,580,414
Heating and ventilation systems	\$8,881,952
Water supply, purification, and distribution system	\$4,336,015
Sanitary sewer system	\$3,871,465
Fire protection systems	\$2,548,952
Maintenance of elevator systems	\$1,504,454
Miscellaneous services costing less than \$100,000	\$7,803,794
Total	\$61,281,983*

*Of the \$119 million obligated as of March 2016, \$61.3 million was for O&M support services at Embassy Kabul (information based upon the contract line items). The remaining \$57.8 million of the contract value provides O&M support for other Department facilities in Afghanistan, including the now-closed Consulate Herat, Camp Sullivan, and villas located outside the perimeter of the embassy compound; this amount also includes administrative costs associated with providing these services throughout Afghanistan.

Source: OIG presentation of Department contract data obtained from the O&M contract.

Within the O&M contract, the contracting officer also added several contract line items, with an obligated value of more than \$2.6 million, to provide an employee shuttle service for locally employed staff at the embassy. In addition, the contracting officer awarded two task orders⁴ under the O&M contract: one for firefighting services, food inspection services, and fuel receipt and another for fuel meter calibration.⁵ At the time of OIG's review, the embassy had obligated almost \$9.2 million to establish and maintain a fire department on the embassy compound and another \$28,675 for food inspection services.

Contract Management Oversight Responsibilities

Day-to-day contract management oversight of the O&M contract at Embassy Kabul is the responsibility of the contracting officer's representative (COR) and two government technical monitors (GTM) assigned to the embassy's Office of Facilities Management Services (FMS). While day-to-day oversight occurs at the embassy, the contracting officer, located in Washington, DC, is the only person with authority to make changes to the contract, such as modifying the contract to add services. Table 2 describes the offices and positions involved in the contract management oversight of the O&M contract at Embassy Kabul.

⁴ For the purposes of this report, the base O&M contract and the corresponding task orders will be referred to as the O&M contract. Task order SAQMMA-14-F-1282, to provide firefighting services, food inspection services, and fuel receipt, was awarded on April 11, 2014. Task order SAQMMA-14-F-1816, to provide fuel meter calibration services, was awarded on June 11, 2014.

⁵ OIG previously issued a report on the fuel operations at Embassy Kabul that reviewed the fuel receipt and fuel meter calibration services provided under these two task orders. See *Improvements Needed To Strengthen Vehicle-Fueling Controls and Operations and Maintenance Contract at Embassy Kabul, Afghanistan* (AUD-MERO-16-35, April 2016).

Table 2: O&M Contract Management and Oversight Responsibilities

Office/Position	O&M Contract Oversight Role
Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management	This office manages, plans, and directs the Department's acquisition programs and conducts contract operations in support of activities worldwide. This office also provides a full range of contract management services such as acquisition planning and contract administration.
Bureau of Administration, Office of the Procurement Executive	This office establishes acquisition policy for the Department, provides overall policy and Department management procedures for the acquisition system, and is also responsible for appointing contracting officers.
Contracting Officer	The contracting officer is the U.S. Government's authorized agent for soliciting contract offers as well as for negotiating, awarding, modifying, and terminating contracts.
Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management	This office provides global support in operating, managing, and maintaining Department facilities overseas. This office also provides professional specialty services to ensure safe, secure, functional, sustainable, and reliable embassy and consulate facilities.
Embassy Kabul, Office of Facilities Management Services	This office handles all facilities-related needs, including repairs, indoor air quality, plumbing, safety, ground maintenance, custodial services, and other workplace concerns at the embassy. The office staff includes experts in facilities-related disciplines such as contract management, quality assurance, heating, ventilation and air conditioning systems, electrical and mechanical systems, and occupational health and environmental issues.
Contracting Officer's Representative	A contracting officer's representative (COR) is an individual designated and authorized in writing by the contracting officer to perform specific technical or administrative functions. The contracting officer relies on the COR to assist in contract development and administration, and it is the COR's responsibility to maintain constant awareness of the contractor's technical compliance with the contract terms.
Government Technical Monitor	A government technical monitor is an individual designated and authorized in writing by the contracting officer to perform specific technical or administrative functions. Government technical monitors perform contract administration roles in support of the COR.
Facility Manager	A facility manager manages day-to-day maintenance operations for all real property assets constructed on the embassy. The embassy compound covers more than 40 acres of land and includes over 39,500 gross square meters of residential and office space, in addition to the supporting infrastructures. The 4 facility managers at Embassy Kabul oversee a total of 476 locally employed staff and contractor staff.

Source: OIG summary of internal Department websites for various bureaus and offices, the Foreign Affairs Manual, and the Foreign Affairs Handbook.

This is the second report issued by OIG this year involving the O&M contract at Embassy Kabul. The first report was issued in April 2016 and presented findings and recommendations intended to improve fuel services.⁶

⁶ *Improvements Needed To Strengthen Vehicle-Fueling Controls and Operations and Maintenance Contract at Embassy Kabul, Afghanistan* (AUD-MERO-16-35, April 2016).

RESULTS

During our review of the current Embassy Kabul O&M contract, OIG identified contract oversight weaknesses that should be brought to the Department's attention before it finalizes the new worldwide O&M contract.

OIG found that the O&M contract at Embassy Kabul did not have clearly defined and measurable performance metrics in the statement of work to assess accurately contractor performance in fulfilling contract requirements. The Foreign Affairs Manual ⁷ states that statements of work for Department performance-based service contracts "(1) Describe work in terms of results needed" and "(2) Use measureable performance standards." Notwithstanding these requirements, the performance metrics in the O&M contract lacked specifics to assess accurately contractor performance. For example, the statement of work prepared by the Office of Acquisitions Management and the Office of Facilities Management only required PAE to "operate and maintain" the various utility systems on the embassy compound and did not provide more specific details on what tasks should be executed by PAE. It did not list specific preventative maintenance functions for the wastewater treatment plant, such as testing the end water product for compliance with Safety, Health, and Environment Management (SHEM) requirements on a daily basis. As a result, PAE did not consistently perform necessary preventative maintenance functions, which, in some instances, caused major equipment systems, including the chillers and the wastewater treatment plant, to fail or work improperly.

In addition, contract management oversight for the O&M contract at Embassy Kabul was inadequate because of the unavailability of staff and the amount of work assigned to individual employees. Specifically, the previous and the current CORs for the O&M contract stated that their workload as both the deputy facility manager and the COR did not allow them to successfully perform both duties concurrently.⁸ OIG also found that no alternate CORs were assigned to the contract, which created gaps in oversight. As a result, PAE was directed to perform work by staff without the delegated authority to do so. Further, because the contract file was incomplete, the embassy had to rely on PAE for historical information about all the utility systems on compound (such as completed preventative maintenance or the dates that parts needed to be replaced). As a result, the embassy was not in a position to remove PAE from the contract had its performance not improved after being placed on a corrective action plan in 2014.

OIG also found that the contracting officer added three services to the O&M contract, at a cost of \$11.8 million, which were outside the scope of the contract. These services consisted of an employee shuttle for locally employed staff, a fire department, and food inspection services. The Federal Acquisition Regulation requires the Government to compete contracts for services or prepare adequate justification for other than full and open competition. However, the embassy added these services to the contract without performing necessary acquisition

⁷ 14 FAM 221.6(c), "Performance-Based Statements of Work."

⁸ Given the 1-year tour for staff at the embassy, a new COR is assigned to the contract each year.

planning or justifying why open competition was not pursued. According to the COR and a general services office management official, this occurred because the embassy needed these services promptly and believed that adding the services to the existing O&M contract would be more prudent than initiating a separate contract solicitation for the services. However, this action inflated the total cost of operations and maintenance services and did not ensure that the embassy received a fair and reasonable price for the added services.

The O&M Contract Lacked Specific Performance Metrics

The Foreign Affairs Manual ⁹ states that statements of work for Department performance-based service contracts “(1) Describe work in terms of results needed;” and “(2) Use measureable performance standards.” This guidance helps to ensure that contractors are held accountable for their work by requiring them to produce tangible results. In addition, U.S. Government Accountability Office (GAO) guidance states that to assess adequately a program, project, or activity, performance standards must be reliable, objective, clear, and measurable.¹⁰ Moreover, since 2009, the Office of Federal Procurement Policy has issued multiple directives to improve reporting of contractor performance so that contracting officers can make better award decisions.¹¹

OIG found that the O&M contract at Embassy Kabul lacked specific and measureable performance metrics. The statement of work provides that PAE is responsible for “operating and maintaining” utility support services and for preparing an appropriate preventative maintenance plan that aligns with all utility support services under the contract. However, OIG identified concerns with PAE’s performance related to the heating and ventilation systems and to the sanitary sewer systems; the concerns resulted from the high-level statement of work.

- **Heating and Ventilation Systems:** A contractor performance assessment report about PAE’s performance from April 2014 to March 2015 stated, “PAE had allowed the main chiller units¹² to deteriorate into a very bad condition and they [the chillers] were only working at half of their design capacity. Four of the [c]hiller compressors failed, and there were damaged/nonfunctional refrigerant coils and heat exchangers.” The statement of work stated that PAE was to operate and maintain primary and support facilities associated with a central chilled water and boiler plant, internal heating, ventilation, and air conditioning (HVAC) distribution systems, and stand-alone building HVAC systems.

⁹ 14 FAM 221.6(c), “Performance-Based Statements of Work.”

¹⁰ *Drug Control: DOD Needs to Improve Its Performance Measurement System to Better Manage and Oversee Its Counternarcotics Activities* (GAO-10-835, July 21, 2010).

¹¹ The Office of Federal Procurement Policy released memorandums for Chief Acquisition Officers and Senior Procurement Executives that seek to improve contract documentation and to make better award decisions based upon accurately documented contractor performance. These memorandums include the following: (1) *Making Better Use of Contractor Performance Information*, July 20, 2014; (2) *Improving the Collection and Use of Information About Contractor Performance and Integrity*, March 6, 2013; and (3) *Improving the Use of Contractor Performance Information*, July 29, 2009.

¹² Chillers are used in HVAC systems where water is chilled to cool and dehumidify buildings. Embassy Kabul recently purchased a chiller for the New Office Annex for \$220,000.

However, the statement of work lacked specificity about the tasks involved in operating and maintaining these systems. For example, the statement of work did not include maintenance performance standards such as recording machine operating parameters on a daily basis and/or testing water samples from the chillers on a quarterly basis. Because excessive vibration can cause structural or component damage, another maintenance performance standard could include determining the chiller vibration baseline and monitoring the vibration on a quarterly basis.

- **Sanitary Sewer Systems:** The contractor performance assessment report from April 2014 to March 2015 stated that PAE provided ineffective preventative maintenance of the wastewater treatment plant, which caused component failure and reduced capacity of wastewater treatment. These systems operated at a reduced capacity because of nonfunctioning motors, electrical elements, and other critical components. Although the statement of work stated that PAE was to operate and maintain all pumps, piping, manholes, exterior cleanouts, holding tanks, lift stations, effluent tank, and the sewage treatment plant, it did not provide performance standards regarding how PAE should operate and maintain all of the components of the wastewater treatment plant. For example, the statement of work did not include maintenance performance standards such as testing the end water product for compliance with SHEM requirements on a daily basis and/or inspecting and recording all machine operating parameters at least on a weekly basis.

These system breakdowns occurred, in part, because the original statement of work prepared by the Office of Acquisitions Management, in coordination with the Office of Facility Management, did not provide specific performance metrics and indicators to adequately measure PAE's performance. In addition, because the performance metrics were not specific and measurable, preventive maintenance was not always performed consistently, and the Office of Facility Management received numerous complaints from office building occupants and apartment residents regarding maintenance failures.

It was not until July 2014, more than 3 years into the contract performance period, that FMS officials implemented an O&M responsibility matrix generally outlining roles and responsibilities of PAE and the embassy. However, the responsibility matrix outlined did not mention specific preventative maintenance actions. For example, the responsibility matrix specified only the buildings on the embassy compound where PAE has maintenance responsibilities and identified the utility systems such as water chillers, pumps, and accessories. The responsibility matrix did not establish performance standards to sufficiently maintain the water chillers, pumps, and accessories, such as checking the refrigerant/solvent¹³ levels on a weekly basis. Given the quick turnover of oversight staff on the Embassy Kabul compound, failure to include specific preventative maintenance standards in the statement of work to trigger and account for maintenance activities for each utility system is particularly significant.

¹³ Refrigerant is used by the chiller system to help cool down the air temperature being pushed through the HVAC system. If not enough refrigerant is present in the chiller, the system will have difficulties cooling the air to the desired temperature.

The lack of clearly defined, specific, and measurable performance metrics in the O&M contract at Embassy Kabul had negative effects other than the operability of the utility systems. For example, the current COR stated that PAE received positive performance ratings that were not supported by objective measurements over the course of the contract because of undefined performance metrics. Unless the upcoming worldwide O&M contract describes work in terms of the results needed and uses measurable performance standards, including specific operation and maintenance functions, the performance issues that existed at Embassy Kabul may recur at other embassies worldwide, and the Department may not be able to ensure that the contractor produces tangible results. In addition, having specific and measurable contract performance metrics is paramount in posts such as Embassy Kabul. Because staff are assigned to 1-year tours, the learning curve for managing a large and complex contract is high, and the staff have to respond to continuous threats against and changes at the embassy. Further, because Embassy Kabul's O&M contract lacked specific and measurable performance indicators from which PAE's performance could be assessed accurately, contracting officers were not positioned to accurately evaluate PAE's performance during future award selection processes.

Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, include contract performance standards that are specific, objective, clear, and measurable in the statement of work for the new worldwide operations and maintenance contract.

Management Response: The Bureau of Overseas Buildings Operations (OBO) agreed with the recommendation, stating that the contract performance standards are included in the worldwide operations and maintenance, indefinite delivery-indefinite quantity contract (which is pending advertisement). OBO added that "[t]he current Kabul O&M re-solicitation contract pending final award as the same Request for Proposal."

The Bureau of Administration, Office of Logistics Management also concurred with the recommendation, stating that it would work with Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management (OBO/FAC) to include contract performance standards that are specific, objective, clear, and measurable in the statement of work for the new worldwide operations and maintenance contract.

Further, Embassy Kabul stated that the new operations and maintenance contract includes contract performance standards that are measurable, clear, and specific. Embassy Kabul noted, though, that the worldwide O&M contract would "need to be initiated and administered from Washington, DC."

OIG Reply: Based upon OBO's concurrence and description of actions it will take, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that the statement of work for the

worldwide operations and maintenance contract includes contract performance standards that are specific, objective, clear, and measureable.

Insufficient Number of Staff Assigned to Contract Oversight

In April 2016, the Department re-transmitted a cable from Embassy Tbilisi, Georgia, to posts worldwide that warned of risks from theft and fraud resulting from an insufficient number of managers to oversee program staff.¹⁴ The cable concluded that the Department needs to consider more effective ways to evaluate management staffing and ensure adequate oversight. As discussed in the cable, Embassy Tbilisi had 1 facility manager to oversee 90 employees, which led the Department to highlight that having too few American managers increased the risk of fraud. In comparison, facility managers at Embassy Kabul faced an even greater workload than Embassy Tbilisi, with only 1 facility manager for every 119 employees. In addition to their responsibilities for overseeing program staff, three of the four facility managers had the additional tasks of providing oversight of the O&M contract—either as the COR or as a GTM.

A March 2012 Government Accountability Office report¹⁵ concerning management and oversight in Afghanistan also recommended assigning a sufficient number of contract oversight staff to help mitigate risk, obtain reasonable assurance that the contractor met its contract requirements, and ensure that tax dollars are not being wasted. However, OIG found that insufficient staff had been assigned to provide adequate oversight of the O&M contract. As a result, oversight gaps occurred, and the contract file did not include key performance documentation. The workload and time demands on facility managers at Embassy Kabul will become even greater as the embassy compound expands with four additional buildings projected to be put into service in the next 2 years, all of which will require O&M services.

Insufficient Oversight

The past and current O&M contract CORs interviewed by OIG for this audit stated that they were unable to adequately oversee PAE's performance because of the large workload resulting from their dual responsibilities serving both as a COR on the O&M contract and as the embassy's deputy facility manager. The following factors influenced the size of the workload: (1) the FMS office, at the time of the review, had 4 U.S. direct hire personnel who provided oversight for 476 locally employed and contractor staff assigned to perform O&M responsibilities at the embassy, which is an average of 119 people per FMS staff; (2) the number of facilities on compound had expanded and had continued to expand because of ongoing construction, which created additional work for FMS; and (3) the COR performs two full-time jobs, serving as both the COR and the deputy facility manager. As a result, according to the CORs, contract-related problems were routinely missed or were not given the necessary attention. In contrast, the

¹⁴ Cable 16 STATE 47788, "Trust but Verify – Unfortunately We Didn't," April 28, 2016. This cable was originally issued as Cable 16 TBILISI 632 and was sent by the Department to all diplomatic and consular posts for further action and information.

¹⁵ *Operational Contract Support: Management and Oversight Improvements Needed in Afghanistan* (GAO-12-290, March 29, 2012).

facility manager and the COR for the U.S. Embassy Baghdad, Iraq, O&M contract are two separate positions. Moreover, the COR position at Embassy Baghdad reports to the Contract Management Office, so that the COR can focus on COR duties and the deputy facility manager can focus on deputy facility manager duties, instead of to the Office of Facilities Management Services, which is the arrangement at Embassy Kabul.¹⁶

In addition, OIG found that the contracting officer had not assigned an alternate COR to preserve delegated oversight of the O&M contract when the COR was absent from post.¹⁷ Other contracts managed by FMS have an alternate COR to prevent such oversight gaps. However, the COR was the only FMS staff member at the embassy with the Level III certification¹⁸ required to be designated as a COR for the O&M contract. As a result, when the COR is on leave or unavailable, no other person at Embassy Kabul has the authority to approve PAE invoices or direct PAE's work. The COR must approve all invoice information; without a signed invoice approval form, the invoice payment process stops until the COR returns to post. Similarly, while the COR is away from post, no other person is authorized to approve new contract actions. If anyone other than the COR or the contracting officer (who is based in Washington, DC) directs new contract actions, an unauthorized commitment could occur.

OIG observed one instance in which the COR was out of country and a change in times for offloading fuel from tanker trucks was necessary because of safety and security concerns. Because the change in times for offloading fuel could not wait until the COR returned from leave, the senior facility manager directed PAE to change its time of service. However, because the contracting officer located in Washington, DC was not contacted while the COR was out of country, the change in fuel offloading times did not comply with contract requirements. Specifically, the contract for fuel receipt states the following:

The contractor shall perform all work ... Sunday through Thursday, 08:00 AM to 4:30 PM, and Saturday 08:00 AM to 4:30 PM. Work performance outside these hours must be approved in advance by the Contracting Officer or his Representative.

OIG does not question the need to change the fuel offloading times. Rather, OIG's point is that the contract specifically states that only the contracting officer or the COR can authorize a change in performance. If an alternate COR had been assigned, a proper change order could

¹⁶ While having two separate positions for the deputy facility manager and the COR may help to alleviate the increased, and sometimes conflicting, workload of the deputy facility manager at Embassy Kabul, we are not asserting that separate positions will address all of the contract oversight issues that may exist.

¹⁷ While an alternate COR is not required for contract oversight, the circumstances at Embassy Kabul (and at other high threat posts) are unique. All embassy personnel are allowed 65 days out-of-country during their 1-year tours, which creates an oversight gap when the COR is not at the embassy.

¹⁸ A Level III COR Certification requires 60 hours of relevant training and at least 24 months of COR-related experience. This is the highest level of COR surveillance and is used for unique contract administration requirements, contracts supporting major investments, contracts over \$5 million, and contracts requiring specialized and complex licenses and certifications for contract administrative personnel. See 14 FAH-2 H-113, "Qualifying as a COR: Federal Acquisition Certification: Contracting Officer's Representative (FAC-COR)."

have been executed—as required by the contract. Without sufficient authorized oversight staff, the Department increases the likelihood that invoice payments will be late and unauthorized commitments may occur, not only at Embassy Kabul but also at other embassies with similar staffing shortages. In addition, with the projected increase in the number of buildings at Embassy Kabul that will require O&M services, failure to have an alternate COR available who can continue oversight of the O&M contract can have a direct adverse impact on the function of critical operations.

Recommendation 2: OIG recommends that the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, in coordination with Embassy Kabul, (a) maintain one position for the deputy facility manager at post and (b) create a separate, new position at post that will perform the contracting officer’s representative duties for the operations and maintenance contract in Afghanistan.

Management Response: OBO agreed with the recommendation, stating that a new contracting officer’s representative position should be created “instead of having it as a collaborative duty of the” deputy facility manager. OBO also stated that the new contracting officer’s representative position should be filled by a general services officer, believing that this person may have more contract expertise than a facility manager.

In addition, Embassy Kabul agreed with the recommendation, stating that the embassy “would like to see a dedicated [contracting officer’s representative] assigned and resident at Post to oversee the [operations and maintenance contract].” The embassy also recommended a “systematic approach” to contract administration that would separate the functions of facility management and contract administration.

OIG Reply: Based upon OBO’s concurrence and description of corrective actions it will take, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that (a) the deputy facility manager does not have a collaborative duty as the contracting officer’s representative; and (b) a separate, new position is created at post for the contracting officer’s representative.

Recommendation 3: OIG recommends that the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, identify and assign an alternate contracting officer’s representative for the operations and maintenance contract in Afghanistan.

Management Response: OBO agreed with the recommendation. Embassy Kabul, Afghanistan also agreed with the recommendation, stating that the contracting officer has already assigned an alternate contracting officer’s representative for the operations and maintenance contract.

OIG Reply: Based upon OBO's concurrence and the description of corrective actions taken at Embassy Kabul, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that an alternate contracting officer's representative for the operations and maintenance contract in Afghanistan has been assigned.

Incomplete Contract File

The Federal Acquisition Regulation (FAR) requires that contract files be placed in organized filing systems. Specifically, the FAR¹⁹ provides a detailed listing of more than 50 examples of records normally contained in contract files. Further, the COR designation letter states:

Inadequate files will impede your or your successor COR's ability to manage the contract and therefore may jeopardize the program for which it was awarded. These files will also help successor CORs understand your actions as COR and the reasons behind such actions, as well as have adequate documentation for audit purposes.

OIG found key documents missing from the O&M contract file, including historical data outlining contract modifications and performance records related to maintenance operations. OIG's review showed that sufficient contract file documentation existed in 2011 at the time of the contract award but that a significant documentation gap occurred between 2011 and the fall of 2014. OIG also identified deficiencies in contract file management in its review of PAE's fuel support services under the O&M contract.²⁰ Moreover, in March 2014, OIG issued a Management Alert that described contract file management as a Department management challenge.²¹

Because a COR typically serves a 1-year tour at Embassy Kabul, maintaining a complete contract file is particularly important for succeeding CORs and GTMs. However, the two current GTMs assigned to help oversee the Embassy Kabul O&M contract told OIG that no contract files were made available to them when they arrived at post. As a result, they had no historical perspective of PAE's performance and initially had to rely on PAE personnel to provide information related to the condition of systems on the compound. This practice increases the risk that the Department will not be positioned to hold the contractor accountable for poor performance and could ultimately jeopardize the purpose of the O&M contract award. Because OIG previously made recommendations that address contract management deficiencies in the Department and those recommendations remain open, OIG is not making a recommendation in this report related to contract management. In addition, OIG intends to conduct an incurred cost audit of the O&M contract at Embassy Kabul that will further address contract file deficiencies as they relate to supporting invoice payments associated with the contract.

¹⁹ FAR Subpart 4.8, "Government Contract Files" and DOSAR Subpart 604.8, "Government Contract Files."

²⁰ *Improvements Needed To Strengthen Vehicle-Fueling Controls and Operations and Maintenance Contract at Embassy Kabul, Afghanistan* (AUD-MERO-16-35, April 2016).

²¹ *Management Alert—Contract File Management Deficiencies* (MA-A-0002, March 2014).

O&M Contract Used To Procure Services Other Than for Operations and Maintenance

The O&M contract states that PAE shall provide operations and maintenance services for the following utility systems at Embassy Kabul: electrical generation and distribution; heating, air conditioning, and ventilation; water supply, purification, and distribution; fire protection; sanitary sewer and wastewater treatment plant; elevator maintenance; and fuel storage and distribution for the generators. Once the O&M contract was awarded in March 2011, any additional services added to the contract added after that date should have been within the statement of work. If the services are not in the statement of work, those services cannot be added to a pre-existing contract. Specifically, the FAR²² states that a new contract action must be completed to obtain additional services that are outside the scope of the contract.

However, beginning in July 2013, the contracting officer added services to the O&M contract that did not align with the statement of work and were outside the scope of the O&M contract. The unrelated support services added included an employee shuttle for locally employed staff (added in July 2013), a fire department (added in April 2014), and food inspection (added in April 2014).²³ Together, these services added more than \$11.7 million in costs to the O&M contract at Embassy Kabul. Table 3 provides a description of each service and the associated cost.

Table 3: Services Added to the Operations and Maintenance Contract

Type of Service	Service Description	Total Obligation
Fire Department	To provide a dedicated, government-owned and -equipped fire department. The fire department is responsible for providing structure and fuel handling fire protection to embassy property, as required.	\$9,161,528
Employee Shuttle	To provide a daily shuttle service for female local national employees to and from the embassy compound from individual residences for safety and security.	\$2,562,147
Food Inspection	To provide ongoing, consistent oversight of restaurants that are contracted out to local vendors to ensure that those restaurants meet acceptable levels of sanitary and hygiene standards.	\$28,675
Total		\$11,752,350

Source: OIG presentation of contract data.

²² FAR Part 5, "Publicizing Contract Actions."

²³ Although initially added to the O&M contract in April 2014, food inspection was removed from the O&M contract in September 2014 and added to the Afghanistan Life Support Services contract. When OIG asked the current COR about the services we identified as out of scope, he stated that once the current O&M contract expires, the fire department program will also be moved to the Afghanistan Life Support Services contract. Further, according to the current COR, FMS does not plan to add the employee shuttle service to the new O&M contract for Embassy Kabul, but it is unknown whether the shuttle service will be moved to another contract or awarded under its own contract.

The FAR²⁴ requires the Government to compete contracts for services to ensure that it receives a fair and reasonable price for those services or prepare adequate justification for other than full and open competition. However, the embassy added three unrelated support services to the O&M contract without performing necessary acquisition planning,²⁵ including preparing a fair market valuation or a sole-source justification for the services. For example, while fire protection systems are mentioned in the O&M contract statement of work, it refers to specific fire protection systems in embassy buildings, such as maintaining sprinkler systems and fire alarm systems—not developing and maintaining a fire department. The contract statement of work specifically states, “during fire emergency situations, Contractor is not responsible for putting out fires, providing services to fight fires, or operating fire hydrants.” However, the firefighting services were added to the O&M contract even though the initial statement of work explained firefighting services were not to be performed by the O&M contractor. Once the firefighting services were added to the contract in April 2014, PAE set up a fully functioning fire department at post to include 17 firefighters and required equipment to respond to any fires that may occur at an embassy facility.

Although the initial O&M contract awarded in March 2011 included a shuttle service for contractor support staff to perform work at embassy villas off compound, the employee shuttle service that was added to the contract in July 2013 goes beyond the purpose of the O&M contract. Specifically, the shuttle service added provides a daily shuttle service to and from the embassy compound for all locally employed female staff. The current COR and an official from the general services office at the embassy speculated that their predecessors did not follow standard acquisition procedures for those new services because of the extra time that would be needed to award a new contract and to get those contract personnel established in Afghanistan to perform the services needed.

While OIG does not question the need for the services added to the O&M contract, the embassy has no assurance that the \$11.8 million associated with those services was reasonable because there was no full and open competition for the services. Moreover, transparency is compromised because the actual costs of the operations and maintenance contract appears artificially high so long as the O&M contract includes the out of scope services. For example, the current O&M contract costs appear to be approximately \$119.3 million, but the actual O&M contract costs without the three unrelated services is approximately \$107.6 million. To ensure that this does not recur with respect to the upcoming worldwide O&M contract, the Office of Acquisitions Management and the embassy must follow appropriate acquisition requirements when procuring new services.

Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, identify and include all anticipated

²⁴ FAR Part 6, “Competition Requirements.”

²⁵ FAR Part 7, “Acquisition Planning.”

operations and maintenance needs for overseas posts in the worldwide operations and maintenance base contract.

Management Response: The Bureau of Administration, Office of Logistics Management, (A/LM) concurred with the recommendation, stating that it would work with OBO/FAC to identify and include anticipated operations and maintenance needs for overseas posts in the worldwide operations and maintenance contract.

Embassy Kabul also commented on the recommendation, noting that a number of the subcomponents of the local operations and maintenance contract have been transferred to the Afghanistan Life Support Services contract during 2016. These include firefighting services, food inspection, and waste management. Embassy Kabul also expects to transfer the shuttle service for the female employees to the Afghanistan Life Support Services contract in early 2017.

OIG Reply: Based upon A/LM's concurrence, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that A/LM identified and included all anticipated operations and maintenance needs for overseas posts in the worldwide operations and maintenance base contract.

Recommendation 5: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, ensure that any additional services added to the worldwide operations and maintenance contract be appropriately aligned with the base contract's statement of work and within the scope of the operations and maintenance base contract.

Management Response: A/LM concurred with the recommendation, stating that it would work with OBO/FAC to ensure that any additional services added to the worldwide operations and maintenance contract are appropriately aligned with the base contract's statement of work and within the scope of the operations and maintenance base contract.

Also, Embassy Kabul stated that the recommendation pertains to other entities within the Department, but notes that a number of the subcomponents of the local operations and maintenance contract have been transferred to the Afghanistan Life Support Services contract during 2016—including firefighting services, food inspection, and waste management. Post expects to transfer the shuttle service for the female employees to the Afghanistan Life Support Services contract in early 2017.

OIG Reply: Based upon A/LM's concurrence, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that A/LM ensured that any additional services added to

the worldwide operations and maintenance contract are appropriately aligned with the base contract's statement of work and within the scope of the operations and maintenance base contract.

Additional Comments from the Bureau of Overseas Buildings Operations:

OBO provided additional comments beyond those directly relating to the recommendations offered. OBO stated that it ensured that any non-O&M services were removed from the O&M re-solicitation statement of work. However, OBO construed OIG as asserting "that fire prevention and emergency services are not part of a robust operations and maintenance program." OBO specifically expressed its disagreement with this interpretation and explained these services had been added to the O&M contract at the "direct request of the Under Secretary for Management." Further, OBO stated the fire department has now been moved under the Afghanistan Life Support Services contract and out of the facility management purview, which OBO believes is a "mistake." OBO also stated that the food inspections were added to the O&M contract because one local vendor at post consistently failed food and health inspections, and therefore "a more robust oversight program was needed."

OIG Reply: OIG expresses no opinion in this MAR as to whether fire prevention and emergency services should, as a general matter, be part of an operations and maintenance contract. Rather, OIG's primary point is that neither the fire department nor food inspection services were included in the original statement of work for the operations and maintenance contract. Therefore, when these services were subsequently added to the contract, they were not within the scope of the contract, and a new contract action should have been completed to obtain the services. This was not done, and the Department therefore had no assurance that the costs for these services were reasonable because full and open competition was not pursued. This practice is contrary to Federal acquisition regulations and demonstrates the need for improved acquisition planning.

CONCLUSION

Because the Department, at the time of the review, was in the process of establishing requirements for and awarding a worldwide O&M contract, the intent of this Management Assistance Report is to ensure that lessons learned from OIG's review of the Embassy Kabul O&M contract are appropriately considered and addressed. Namely, the new O&M worldwide contract should contain clearly defined and measurable performance metrics to assess accurately contractor performance in fulfilling contract requirements. In addition, acquisition planning must be completed to ensure that all anticipated operations and maintenance needs for overseas posts are incorporated into the base contract and that any services added outside the contract's scope must adhere to full and open competition requirements.

OIG conducted this review in accordance with generally accepted government auditing standards. OIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions presented in this report and trusts it will be useful in the execution of the new worldwide O&M contract.

RECOMMENDATIONS

Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, include contract performance standards that are specific, objective, clear, and measureable in the statement of work for the new worldwide operations and maintenance contract.

Recommendation 2: OIG recommends that the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, in coordination with Embassy Kabul, (a) maintain one position for the deputy facility manager at post and (b) create a separate, new position at post that will perform the contracting officer's representative duties for the operations and maintenance contract in Afghanistan.

Recommendation 3: OIG recommends that the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, identify and assign an alternate contracting officer's representative for the operations and maintenance contract in Afghanistan.

Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, identify and include all anticipated operations and maintenance needs for overseas posts in the worldwide operations and maintenance base contract.

Recommendation 5: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, ensure that any additional services added to the worldwide operations and maintenance contract be appropriately aligned with the base contract's statement of work and within the scope of the operations and maintenance base contract.

APPENDIX A: BUREAU OF OVERSEAS BUILDINGS OPERATIONS OFFICE RESPONSE



United States Department of State

Washington, D.C. 20520

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September 12, 2016

INFORMATION MEMO TO ASSISTANT INSPECTOR GENERAL FOR AUDITS - NORMAN BROWN - OIG

FROM: OBO – Jürg Hochuli *JH*

SUBJECT: Response to Draft Management Assistance Report on Contract
Management – Lessons Learned from Embassy Kabul, Afghanistan,
Operations and Maintenance Contract

Thank you for the opportunity to respond to the draft Management Assistance Report on Contract Management – Lessons Learned from Embassy Kabul, Afghanistan, Operations and Maintenance (O&M) Contract. Below are OBO's written comments and information on actions taken or planned for recommendations and the draft report.

Recommendation # 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, include contract performance standards that are specific, objective, clear, and measureable in the statement of work for the new worldwide operations and maintenance contract.

OBO Response (9/12/2016): OBO concurs with this recommendation. The contract performance standards are in the Worldwide O&M IDIQ contract pending advertisement. The current Kabul O&M re-solicitation contract pending final award has the same Request for Proposal.

Recommendation # 2: OIG recommends that the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, in coordination with Embassy Kabul, (a) maintain one position for the deputy facility manager (D/FM) at post and (b) create a separate, new position at post that will perform the contracting officer's representative duties for the operations and maintenance contract in Afghanistan.

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Recommendation # 3: OIG recommends that the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, identify and assign an alternate contracting officer's representative (COR) for the operations and maintenance contract in Afghanistan.

OBO Response to Recommendation #2 and #3 (9/12/2016): OBO concurs there needs to be a new COR position instead of having it as a collaborative duty of the D/FM and if possible, have that position be filled by a General Services Officer (GSO) instead of a Facility Manager (FM). A GSO would have greater expertise on contract matters and it would free up another desperately needed FM to fully focus on facilities duties and responsibilities.

OBO has taken steps towards realizing this model and the current FM has continued to refine this approach during his tenure.

To successfully administer a contract of this magnitude and technical complexity we would recommend the following elements on the ground:

1. Head of Facilities – Senior Facility Manager (S/FM)
2. Dedicated, qualified COR who is in chain of command to S/FM
3. Program/Contract Specialist to assist COR
4. Multi-Discipline Team of SMEs to serve as Government Technical Monitors (GTM's)

OBO Additional Comments (9/9/2016): OBO ensured any non-O&M related services were removed under the O&M re-solicitation SOW. Regarding the establishment of the Fire Department, that was at the direct request of the Undersecretary for Management and we disagree with the OIG's assertion that Fire Prevention and Emergency Services are not part of a robust O&M program. At virtually all posts worldwide, the FM serves as both the POSHO and the Fire Marshall. In fact, the Fire Department has now moved under ALISS and out of the FM purview, which we feel is a mistake.

Regarding food inspections, the Medical Unit did cursory checks of the eating establishments on the compound in conjunction with the Department of Defense. However, Post had one local vendor who consistently failed and thus needed a more robust oversight program. Post tapped into the O&M contract for

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housekeeping and equipment-related issues and PAE was performing these duties for the Villas and 6.17 compounds already.

General comment OBO should be Overseas Buildings Operations. An “s” was missing on page 2. Suggest a global search be done to ensure consistency.

Line 4 of Recommendation 2 should be “(a) maintain one position for the deputy facility manager at post [missing the word manager] – should be Facility Manager.

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Approved: Lydia Muniz **ok**

Analyst: Amy Gertsch, 703-516-1652

Cleared: OBO/CFSM: A. Kanga **ok**
OBO/CFSM/FAC: K. Hanigan **ok**
OBO/RM: J. Hochuli **ok**
OBO/EA: C. Foushee **ok**
OBO/RM/P: C. Fullem **ok**

APPENDIX B: BUREAU OF ADMINISTRATION, OFFICE OF ACQUISITION MANAGEMENT OFFICIAL RESPONSE



United States Department of State

Washington, D.C. 20520

September 16, 2016

**UNCLASSIFIED
MEMORANDUM**

TO: OIG – Norman P. Brown

FROM: A/LM – Jennifer A. McIntyre

A handwritten signature in blue ink, appearing to read "J. A. McIntyre".

SUBJECT: *Management Assistance Report – Contract Management-Lessons Learned From Embassy Kabul, Afghanistan, Operations and Maintenance Contract*

Thank you for the opportunity to provide our comments on the OIG MAR draft report titled Contract Management-Lessons Learned from Embassy Kabul, Afghanistan, Operations and Maintenance Contract. Mr. Jim Moore will be the point of contact and he may be reached at 703-875-6285.

Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, include contract performance standards that are specific, objective, clear, and measureable in the statement of work for the new worldwide operations and maintenance contract.

A/LM/AQM Response (09/16/2016): The Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management concurs with this recommendation and will work the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, to include contract performance standards that are specific, objective, clear, and measureable in the statement of work for the new worldwide operations and maintenance contract.

Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, identify and

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include all anticipated operations and maintenance needs for overseas posts in the worldwide operations and maintenance base contract.

A/LM/AQM Response (09/16/2016): The Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management concurs with this recommendation and will work the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management to identify and include anticipated operations and maintenance needs for overseas posts in the worldwide operations and maintenance base contract.

Recommendation 5: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management, ensure that any additional services added to the worldwide operations and maintenance contract be appropriately aligned with the base contract's statement of work and within the scope of the operations and maintenance base contract.

A/LM/AQM Response (09/16/2016): The Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management concurs with this recommendation and will work with the Bureau of Overseas Buildings Operations, Office of Construction, Facility, and Security Management, Office of Facility Management to ensure that any additional services added to the worldwide operations and maintenance contract be appropriately aligned with the base contract's statement of work and within the scope of the operations and maintenance base contract.

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- 2 -

APPENDIX C: EMBASSY KABUL, AFGHANISTAN OFFICIAL RESPONSE



Embassy of the United States of America
Kabul, Afghanistan

August 29, 2016

Norman P. Brown
Office of the Inspector General
1700 N. Moore St.
Arlington, VA 22209

Dear Assistant Inspector General Brown,

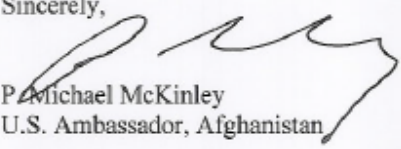
Embassy Kabul appreciates the opportunity to comment on the Office of the Inspector General (OIG) draft *Management Assistance Report: Contract Management—Lessons Learned From Embassy Kabul, Afghanistan, Operations and Maintenance Contract*. Although none of the draft recommendations were directed specifically for Embassy Kabul, the report provides information regarding the Operations and Maintenance (O&M) contract at Post.

Regarding recommendation 1, Post notes that the current O&M contract is set to expire on September 30, 2016. A six-month extension should be exercised soon by the Contracting Officer for continuity sake until the new O&M contract is awarded. The statement of work for this new O&M contract includes contract performance standards that are measurable, clear, and specific. A worldwide O&M contract would need to be initiated and administered from Washington, DC.

Regarding recommendation 2 and 3, Embassy Kabul concurs completely with the OIG recommendations and would like to see a dedicated Contracting Officer's Representative (COR) employee assigned and resident at Post to oversee the O&M contract. The Contracting Officer has already assigned an alternate COR for the O&M contract. The current COR and A/COR are Facility Managers and are dual-hatted in their COR responsibilities. The current COR will be at Post until October 2017 and the A/COR will be at Post until August 2018. Post recommends a systematic approach to contract administration, which would separate the functions of Facility Management and contract administration, thus allowing the Facility Manager to perform his/her function as the Subject Matter Expert (SME). The COR (dedicated, Level III) under the senior Facility Manager would perform contract oversight, establish new requirements, and work with the contracting officers to ensure contract performance and maintenance of contract files.

Recommendations 4 and 5 pertain to other entities within the State Department, including the Bureau of Administration's Office of Logistics Management, Office of Acquisitions Management, and Overseas Building Office (OBO). Embassy Kabul defers to those entities, but notes that a number of the subcomponents of the local Embassy Kabul O&M contract have been transferred to the Afghanistan Life Support Services (ALiSS) contract during 2016, including firefighting services, food inspection, and waste management. Post expects to transfer the shuttle service for female employees to the ALiSS contract in early 2017.

Sincerely,


P. Michael McKinley
U.S. Ambassador, Afghanistan



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1-800-409-9926
OIG.state.gov/HOTLINE

If you fear reprisal, contact the
OIG Whistleblower Ombudsman to learn more about your rights:

WPEAOmbuds@stateoig.gov