



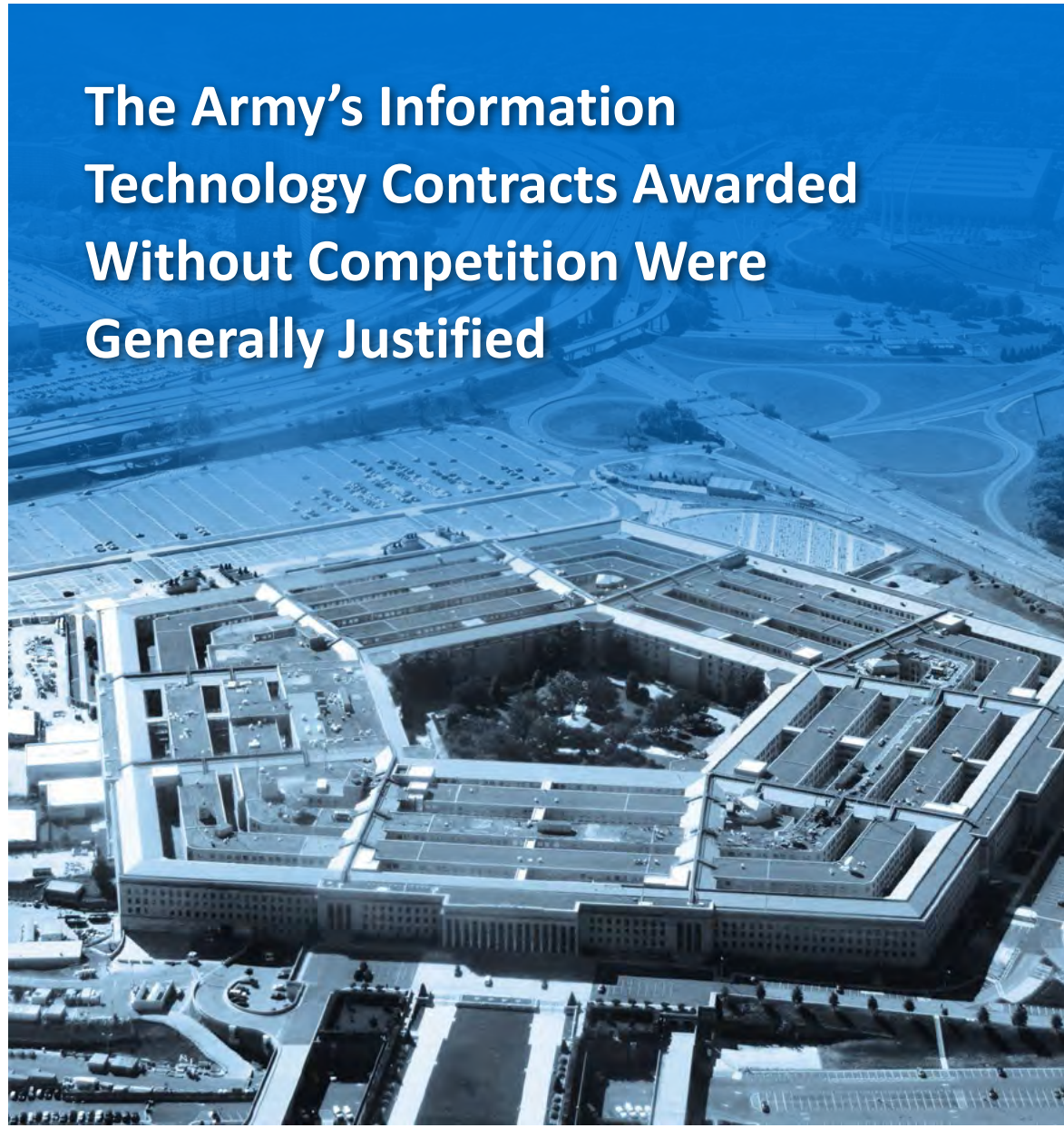
INSPECTOR GENERAL

U.S. Department of Defense

MARCH 25, 2015



The Army's Information Technology Contracts Awarded Without Competition Were Generally Justified



INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

Mission

Our mission is to provide independent, relevant, and timely oversight of the Department of Defense that supports the warfighter; promotes accountability, integrity, and efficiency; advises the Secretary of Defense and Congress; and informs the public.

Vision

Our vision is to be a model oversight organization in the Federal Government by leading change, speaking truth, and promoting excellence—a diverse organization, working together as one professional team, recognized as leaders in our field.



For more information about whistleblower protection, please see the inside back cover.



Results in Brief

The Army's Information Technology Contracts Awarded Without Competition Were Generally Justified

March 25, 2015

Objective

Our objective was to determine whether the Army information technology (IT) contracts issued without competition were properly justified. We announced this audit in anticipation of the pending Fiscal Year 2015 National Defense Authorization Act that requires the DoD Inspector General to review DoD noncompetitive IT contracts to determine whether they were properly justified as sole source. This report is the second in a series of audits on IT contracts issued without competition. We nonstatistically reviewed 53 contracts.¹

Finding

Army contracting personnel properly justified 35 of the 39 contracts, valued (including options) at about \$146.5 million, as sole-source awards. However, Army contracting personnel did not properly justify four contracts, valued at \$83.3 million, as sole-source awards. This occurred because:

- in 2008, an Army contracting officer changed a multiple-award contract to three sole-source contracts when issuing the first task order. In 2013, the contracting officer then awarded three bridge contracts as sole-source, citing only one source; and
- for the remaining contract, an Army contracting officer did not include sufficient information in the justification to support a sole-source award because of the year-end buy.

As a result, Army contracting personnel could have saved DoD funds or received better IT service capabilities using full and open competition.

¹ For 14 contracts, we limited our review to verifying whether the contracts contained a valid statutory requirement. The remaining 39 contracts required written justifications for other than full and open competition.

Finding (cont'd)

Additionally, Army contracting personnel did not comply with Federal Acquisition Regulation synopsis requirements for 20 of the 39 contracts. This occurred because Army contracting personnel stated that they:

- thought the correct exception was used;
- completed the synopses but did not save and could not recover them; or
- unintentionally did not fill out all the required information.

For each of the proposed contract actions not properly synopsized, contracting personnel potentially excluded sources.

Finally, Army contracting personnel used a valid statutory requirement when they awarded the other 14 contracts with a value (including options) of about \$58.7 million.

Recommendations

We recommend that the Deputy Assistant Secretary of the Army (Procurement) require all Advocates for Competition to issue guidance providing special emphasis on and require training for contracting personnel to fully implement Federal Acquisition Regulation Subpart 5.2, "Synopses of Proposed Contract Actions." Also, we recommend that the Commanding General, Army Intelligence and Security Command, require refresher training for all contracting personnel on use of multiple-award contracts and for fully supporting justifications in accordance with the Federal Acquisition Regulation Subpart 6.3, "Other Than Full and Open Competition."

Management Comments and Our Response

The Deputy Assistant Secretary of the Army (Procurement) and the Chief of Staff, Army Intelligence and Security Command, responding for the Commanding General, Army Intelligence and Security Command, agreed with the recommendations and provided a corrective action plan with an anticipated completion date. Comments from the Deputy Assistant Secretary and the Chief of Staff addressed all specifics of the recommendations, and no further comments are required. Please see the Recommendations Table on the back of this page.

Recommendations Table

Management	Recommendations Requiring Comment	No Additional Comments Required
Deputy Assistant Secretary of the Army (Procurement)		1.a, 1.b
Commanding General, Army Intelligence and Security Command		2



**INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500**

March 25, 2015

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION,
TECHNOLOGY, AND LOGISTICS
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: The Army's Information Technology Contracts Awarded Without
Competition Were Generally Justified (Report No. DODIG-2015-096)

We are providing this report for your information and use. Army contracting personnel properly justified the use of other than full and open competition for 35 of the 39 sole-source information technology contracts, valued (including options) at about \$146.5 million. However, Army contracting personnel did not properly justify the use of other than full and open competition for the remaining four contracts, valued at about \$83.3 million. We performed this audit in anticipation of the pending Fiscal Year 2015 National Defense Authorization Act that requires the DoD Inspector General to review DoD noncompetitive information technology contracts to determine whether they were properly justified as sole source. We conducted this audit in accordance with generally accepted government auditing standards.

We considered the Deputy Assistant Secretary of the Army (Procurement) and the Chief of Staff, Army Intelligence and Security Command, responding for the Commanding General, Army Intelligence and Security Command, comments when preparing the final report. The Deputy Assistant Secretary and the Chief of Staff agreed with our recommendations and provided a corrective action plan with an anticipated completion date. The comments conformed to the requirements of DoD Directive 7650.3; therefore, we do not require additional comments.

We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 604-9187 (DSN 664-9187).

A handwritten signature in black ink, appearing to read "M. Roark", is positioned above the printed name.

Michael J. Roark
Assistant Inspector General
Contract Management and Payments

Contents

Introduction

Objective	1
Background	1
Army Sole-Source IT Contracts Reviewed	2
Review of Internal Controls	3

Finding. Army IT Contract Awards Were Generally Justified As Sole Source

Army Contracting Personnel Generally Supported Sole-Source Determinations	5
Army Contracting Personnel Awarded Four Noncompetitive IT Contracts Without Proper Justification	11
Army Could Have Saved DoD Funds	14
Army Contracting Personnel Did Not Follow Synopsis Requirements for Noncompetitive Contracts	14
Army May Have Excluded Potential Sources	17
Army Contracting Personnel Properly Awarded Contracts Required by Statute	17
Conclusion	18
Recommendations, Management Comments, and Our Response	18

Appendixes

Appendix A. Scope and Methodology	20
Universe and Sample Information	20
Review of Documentation and Interviews	21
Use of Computer-Processed Data	22
Use of Technical Assistance	22
Appendix B. Prior Coverage	23
Appendix C. Noncompetitive IT Contracts Reviewed	25
Appendix D. Noncompetitive 8(a) IT Contracts Reviewed	30
Appendix E. Market Research Conducted	32
Appendix F. Synopses Needed Improvements	36

Contents (cont'd)

Management Comments

Deputy Assistant Secretary of the Army (Procurement) _____ 38

Army Intelligence and Security Command _____ 40

Acronyms and Abbreviations _____ 42



Introduction

Objective

Our audit objective was to determine whether the Army information technology (IT) contracts issued without competition were properly justified. This audit was the second in a series of audits on IT contracts issued without competition. See Appendix A for scope and methodology and Appendix B for prior coverage.

Background

We announced this audit in anticipation of the pending FY 2015 National Defense Authorization Act that requires the DoD Inspector General to review DoD noncompetitive IT contracts to determine whether they were properly justified as sole source.

Guidance

Full and open competition is the preferred method for Federal agencies to award contracts. The United States Code² requires contracting officers, with certain exceptions, to promote and provide for full and open competition when soliciting offers and awarding contracts. It also includes certain exceptions that authorize contracting without full and open competition.

Contracting officers may use procedures other than full and open competition under certain circumstances; however, each contract awarded without providing for full and open competition must comply with the Federal Acquisition Regulation (FAR). FAR Subpart 6.3, "Other Than Full and Open Competition," prescribes the policies and procedures and identifies the statutory authorities for contracting without full and open competition. FAR Part 10, "Market Research" prescribes policies and procedures for conducting market research to arrive at the most suitable approach to acquiring, distributing, and supporting services. FAR Subpart 5.2, "Synopsis of Proposed Contract Actions" prescribes policies and procedures for posting notices of proposed contract actions through the Government-wide Point of Entry, known as Federal Business Opportunities.

² Section 2304, title 10, United States Code (2011)

Army Commands

The Army Intelligence and Security Command (INSCOM), Mission and Installation Contracting Command (MICC), and Army Contracting Command (ACC) issued noncompetitive IT contracts.

The INSCOM website stated that the command, headquartered at Fort Belvoir, Virginia, conducts intelligence, security, and information operations for military commanders and national decision makers. INSCOM Acquisition Center is the Army's contracting entity for intelligence requirements.

The ACC website stated that MICC provides contracting support for Soldiers across Army commands, installations, and activities through various field directorate offices and field offices. The MICC website stated that the Fort Belvoir, Virginia, location provides all contracting support to Fort Belvoir and procures IT services.

The ACC website also stated that the command provides responsive, innovative and efficient contracting solutions and practices. ACC-Aberdeen Proving Ground (APG) is a full service life-cycle acquisition organization with expertise in market research; and contract solicitation, award, and administration. It procures satellite communications, various systems, and technical services. ACC-APG consists of 10 locations including ACC-APG, Maryland and ACC-APG, Fort Huachuca, Arizona. ACC-Rock Island (RI) supports the nations uniformed service members in peace and in war, to support an array of service and commodity requirements. ACC-RI consists of nine locations, including ACC-RI, Illinois.

Army Sole-Source IT Contracts Reviewed

Our queries from the Federal Procurement Data System-Next Generation (FPDS-NG) identified that Army contracting personnel awarded 199 IT contracts that received one offer, with a value including base and option years of about \$797.3 million, from October 1, 2012, through April 10, 2014. When selecting sites to visit, we considered the total number of contracts issued, the corresponding total contract value (including options), and the proximity of the locations to one another. We nonstatistically selected the following five Army sites:

1. INSCOM, Fort Belvoir;
2. MICC, Fort Belvoir;
3. ACC-APG;
4. ACC-APG, Fort Huachuca; and
5. ACC-RI.

We nonstatistically reviewed 53 contracts valued, including options, at about \$288.5 million. Of the 53 contracts, 14 contracts, valued at about \$58.7 million, were required by statute³ under the 8(a) program. For those 14 contracts, we limited our review to verifying whether the contracts contained a valid statutory requirement. The remaining 39 contracts were sole-source awards that required written justifications in a justification and approval (J&A) for other than full and open competition before contract award.

Table 1 shows the Army sites selected and the number of contracts reviewed with their value. See Appendix C for the 39 sole-source IT contracts reviewed and Appendix D for the 14 IT contracts required by statute.

Table 1. Army Sites Selected and Contract Breakdown

Site	Total	Total Value of Contracts (Including Options)	Sole-Source Award	Authorized or Required by Statute
INSCOM, Fort Belvoir	4	\$86,038,371	3	1
MICC, Fort Belvoir	2	2,067,127	1	1
ACC-APG, Maryland	26	66,287,506	22	4
ACC-APG, Fort Huachuca	10	89,465,764	5	5
ACC-RI	11	44,644,787	8	3
Total	53	\$288,503,555	39	14

Review of Internal Controls

DoD Instruction 5010.40, “Managers’ Internal Control Program Procedures,” May 30, 2013, requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls. We identified internal control weaknesses related to INSCOM personnel not properly justifying the use of other than full and open competition. Further, we identified weaknesses related to the Army implementing synopsis requirements.⁴ We will provide a copy of the report to the senior official responsible for internal controls in the Department of the Army.

³ 10 United States Code 2304 (c)(5)

⁴ A synopsis is a document used in contracting to let the public know about the procurement or the potential procurement.

Finding

Army IT Contract Awards Were Generally Justified As Sole Source

Army contracting personnel properly justified the use of other than full and open competition for 35 of the 39 IT contracts reviewed, valued at about \$146.5 million, and generally complied with FAR market research requirements for 36 of 39 contracts, valued at about \$221.3 million. Army contracting personnel generally:

- complied with FAR content requirements in the J&As,
- applied the authority cited appropriately, and
- obtained approval from the proper personnel before contract award.

However, Army contracting personnel did not properly justify the use of other than full and open competition for 4 of the 39 sole-source contracts, valued at about \$83.3 million. For three of the four contracts, this occurred because in 2008 an INSCOM contracting officer changed a multiple-award contract to three sole-source contracts when he issued the first task order. In 2013, an INSCOM contracting officer then awarded three bridge contracts as sole-source contracts stating only one source was available to provide the services. For the remaining contract, an ACC-RI contracting officer did not include sufficient information in the J&A to support the sole-source award because the contracting officer was executing year-end buys. As a result, Army contracting personnel could have saved DoD funds or received better IT service capabilities using full and open competition.

Additionally, Army contracting personnel did not comply with FAR synopsis requirements when synopsisizing 20 proposed contract actions. This occurred because Army contracting personnel stated that they:

- thought the correct exception was used;
- completed the synopses but did not save and could not recover them; or
- unintentionally did not fill out all the required information.

For each of the proposed contract actions not properly synopsisized, contracting personnel potentially excluded sources.

Finally, Army contracting personnel used a valid statutory requirement when awarding the other 14 contracts with a value of about \$58.7 million.⁵

⁵ FAR 6.302-5, "Authorized or Required by Statute," allows for contracting officers to award contracts using procedures other than full and open competition when a statute expressly authorizes, or requires, that the acquisition be made through another agency or from a specified source.

Army Contracting Personnel Generally Supported Sole-Source Determinations

Army contracting personnel generally documented the required elements of FAR 6.303-2, "Content," and generally applied the correct sole-source authority cited in the J&As. Further, Army contracting personnel obtained approval from the proper official for all the J&As and generally obtained approval before contract award. Finally, Army contracting personnel appropriately documented the market research conducted or provided adequate justification in the contract file when market research was not conducted for 36 of the 39 proposed contracts.

Army Contracting Personnel Generally Complied With J&A Content Requirements

Army contracting personnel generally documented the required J&A content in 38 of the 39 J&As reviewed. For 1 of the 39 J&As reviewed, the contracting officer did not include 5 required content elements. FAR 6.303-2 states the minimum information that the contracting officer must include in each justification. Although contracting personnel generally documented the required content for 38 J&As, 12 of those J&As were missing at least 1 required element. However, these content omissions were not systemic problems, so we are not making any recommendations.

For example, Army contracting officers did not specifically identify 5 of 39 justifications as "Justification for other than full and open competition," as required by FAR 6.303-2(b)(1). The FAR requires the justification to include identification of the agency and the contracting activity and specific identification of the document as a "Justification for other than full and open competition." However, it was clear from the content that the documents were the Justifications for other than full and open competition.

In another instance, Army contracting officers also did not include a statement of the fair and reasonable cost determination in 2 of 39 J&As, as required by FAR 6.303-2(b)(7). The FAR requires the justification to include a determination by the contracting officer that the anticipated cost to the Government will be fair and reasonable. An ACC-RI contracting officer did not include this determination or any statement about fair and reasonable cost in one J&A. An INSCOM contracting officer did not specifically state that the anticipated cost to the Government would be fair and reasonable as required by the FAR in one J&A. Instead, the contracting

officer included a statement that supporting data were accurate and complete to the best of the contracting officer's knowledge and belief. The statement included a description of what could be used as the basis for fair and reasonable price.

In one instance, an ACC-RI contracting officer did not include any statement addressing barriers to competition in one J&A, as required by FAR 6.303-2(b)(11). The FAR requires a statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required.

In another instance, a contracting officer at ACC-APG, Fort Huachuca did not include the contracting officer certification in one J&A as required by FAR 6.303-2(b)(12), which states a contracting officer certifies that the justification is accurate and complete to the best of the contracting officer's knowledge and belief. Instead, in the contracting officer certification section of the J&A, the contracting officer stated that the requirement was valid, and the only way to satisfy the requirements was to limit competition as described in the J&A.

Finally, an ACC-RI contracting officer did not include any evidence of certified supporting data in one J&A, as required by FAR 6.303-2(c). The FAR requires each justification to include evidence that any supporting data that is the responsibility of technical or requirements personnel and which form a basis for the justification have been certified as complete and accurate by the technical or requirements personnel.

Table 2 summarizes the 13 contracts, by location, that were missing required content.

Table 2. Missing Content Requirements

Contract	6.303-2(b)(1)	6.303-2(b)(5)*	6.303-2(b)(6)†	6.303-2(b)(7)	6.303-2(b)(8)‡	6.303-2(b)(11)	6.303-2(b)(12)	6.303-2(c)
INSCOM, Fort Belvoir								
W911W4-13-C-0007		✓						
W911W4-13-C-0008		✓						
W911W4-13-C-0009		✓		✓				
MICC, Fort Belvoir								
W91QV1-14-C-0003			✓		✓			
ACC-APG								
W15P7T-13-C-E037	✓							
W15P7T-13-C-E069	✓							
W15P7T-14-C-E104	✓							
W91CRB-13-C-0041	✓		✓					
ACC-APG, Fort Huachuca								
W91RUS-13-C-0008			✓					
W91RUS-13-D-0009							✓	
ACC-RI								
W52P1J-13-C-0025	✓		✓					
W52P1J-13-C-0065					✓			
W52P1J-13-P-5075§		✓	✓	✓		✓		✓
Total	5	4	5	2	2	1	1	1

* FAR 6.303-2(b)(5) requires that the justification include a demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited. We discuss this in the Army Contracting Personnel Awarded Four Noncompetitive IT Contracts Without Proper Justification section of the report.

† FAR 6.303-2(b)(6) requires the justification to include a description of efforts made to ensure that offers are solicited from as many potential sources as is practicable, including whether a notice was or will be publicized as required by FAR subpart 5.2 and, if not, which exception under FAR 5.202 applies. We discuss this in the Army Contracting Personnel Did Not Follow Synopsis Requirements for Noncompetitive Contracts section of the report.

‡ FAR 6.303-2(b)(8) requires the justification to include a description of the market research conducted and the results or a statement of the reason market research was not conducted. We discuss this in the Army Contracting Personnel Generally Documented the Market Research Efforts and the Results for Sole-Source Contract Award section of the report.

§ Contract W52P1J-13-P-5075 is discussed in the Army ACC-RI Contracting Personnel Incorrectly Awarded One Sole-Source Contract section of the report.

Army Contracting Personnel Generally Applied the Sole-Source Authority Cited

Army contracting personnel appropriately applied the sole-source authority cited and provided enough information to justify permitting other than full and open competition in 35 of the 39 J&As reviewed. Army contracting personnel:

- awarded 31 of 39 contracts citing the authority of FAR 6.302-1, “Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements [only one responsible source]”; and
- awarded 8 of 39 contracts citing the authority of FAR Subpart 13.5, “Test Program for Certain Commercial Items.”⁶

For 27 of the 31 contracts that cited the authority of FAR 6.302-1, Army contracting personnel provided adequate rationale in the J&A as to why only one contractor could provide the required product or service and why only that product or service could meet the Government’s requirements. For example, contracting officers awarded 13 contracts that cited the authority of FAR 6.302-1 for software maintenance or license renewal agreements for previously purchased software. Additionally, a contracting officer at ACC-RI prepared a J&A for a wideband remote monitoring sensor for remote monitoring control equipment in support of worldwide satellite communications. The contracting officer stated in the J&A that a company not currently performing satellite communications would require 36 to 42 months of lead time to provide the service. The lead time would have greatly elevated the risk of mission failure, and the current contractor’s tested and proven solution was the only approach that met the schedule for deployments in 2014 and 2015. The contracting officer also stated in the J&A that there were only two known companies with the needed capability but one of them was unacceptable because of system failures. The remaining contracts are discussed in the section of this report titled, “Army Contracting Personnel Awarded Four Noncompetitive IT Contracts Without Proper Justification.”

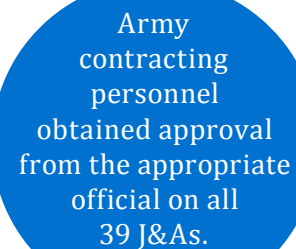
For the eight contracts that cited the authority of FAR subpart 13.5, Army contracting personnel provided adequate rationale in the J&A as to why only one contractor could provide the required product or service and why only that product or service could meet the Government’s requirements. Contracting officers awarded all eight contracts that cited the authority of FAR subpart 13.5 for software maintenance or license renewal agreements. For example, a contracting officer at ACC-APG, Maryland prepared a J&A for the renewal of commercial, off-the-shelf software maintenance. The contracting officer stated in the J&A that if

⁶ FAR Subpart 13.501, “Special Documentation Requirements,” states contracting officers must prepare sole-source justifications using the format at FAR 6.303-2.

the Government selected another product, it would result in extensive research and functional testing, which would be followed by production and certification testing efforts. The additional cost would exceed \$5 million plus minimum development time of at least 24 to 36 months. The contracting officer also stated in the J&A that there was a reasonable basis to conclude the services were only available from one source because after continual product research, no other products were observed or found to have the functional ability to meet the needs offered by the current software products.

Army Contracting Personnel Obtained Approval From the Proper Officials for All Sole-Source Contract Awards

Army contracting personnel obtained approval from the appropriate official on all 39 J&As. FAR 6.304, "Approval of the Justification," states that the justification for other than full and open competition shall be approved in writing. FAR 6.304 defines the proper approval authority at various thresholds for the estimated dollar value including options. The approval authority for a proposed contract is the:



Army contracting personnel obtained approval from the appropriate official on all 39 J&As.

- **contracting officer** for contracts up to \$650,000;
- **competition advocate for the procuring activity** for over \$650,000 but not to exceed \$12.5 million;
- **head of the procuring activity** who is a general officer in the armed forces or above a GS-15 for contracts over \$12.5 million but not to exceed \$85.5 million; and
- **senior procurement executive of the agency** for contracts over \$85.5 million.

Of the 39 J&As, a contracting officer appropriately approved 12 J&As; a competition advocate appropriately approved 22 J&As; and the head of the procuring activity appropriately approved 5 J&As.

The appropriate designated official approved the J&A before contract award for 35 of the 39 J&As. However, the approving official at ACC-APG, Fort Huachuca did not date two J&As. The ACC-APG, Fort Huachuca, Advocate for Competition electronically-signed both J&As but did not include the date. In addition, contracting officers signed two J&As after the effective date of the contract. An ACC-APG, Maryland contracting officer signed one J&A 77 days after contract award. The contracting officer stated that either he forgot to sign the J&A in the contract file or included the pre-signature copy in the file and misplaced the signed copy.

During the post FY 2013 file reviews personnel noted the J&A in the file was unsigned and the contracting officer signed it at that time. A MICC contracting officer signed one J&A 7 days after the effective date of the contract. These are not systemic problems, so we are not making a recommendation.

Army Contracting Personnel Generally Documented the Market Research Efforts and the Results for Sole-Source Contract Awards

Army personnel generally documented the market research conducted or provided adequate justification in the contract file for market research not conducted for 36 of 39 noncompetitive IT contracts. Contracting personnel included documentation to show compliance with FAR part 10 in the contract file⁷ to support 36 of the 39 sole-source determinations. FAR part 10 states that agencies should document the results of market research in the manner appropriate to the size and complexity of the acquisition. FAR 10.002, "Procedures," states the extent of market research will vary, depending on factors such as urgency, estimated dollar value, complexity, and past experience.

Army contracting personnel performed market research techniques identified in FAR part 10 for all contract awards that had adequate support documented in the contract file. For example, Army contracting and program personnel conducted internet and database inquiries, contacted knowledgeable individuals in Government and industry, or reviewed past procurements for the 36 sole-source awards that had estimated values ranging from \$150,800 to \$33.2 million. Army personnel documented the market research techniques performed and the subsequent results in 36 of the 39 contract files. See Appendix E for additional information on market research conducted for the 18 contracts not for software maintenance or license renewal agreements.

For two contracts at ACC-APG, Fort Huachuca, the contracting officers and program personnel did not document the market research performed. The contracting officers stated in each J&A that the Government conducted extensive research and concluded that it was more practical and cost effective to staff the requirement with soldiers and Army civilian employees. However, the activity required a bridge contract for the transition. The contracting officers did not include documentation of the research in the contract files because the decision to in-source was decided outside of the contracting process.

⁷ We accepted documentation as sufficient to meet FAR part 10 requirements if the specific steps taken to conduct market research and the subsequent results were documented or adequate rationale for not conducting market research were documented.

MICC personnel did not conduct market research for one contract. The contracting officer issued the contract with an effective date of December 12, 2013; however, the J&A stated that additional market research was scheduled for January 2014. The contracting officer stated that they did not perform market research because there was not enough time. The lack of market research did not result in an inadequate sole-source determination, so we are not making a recommendation.

Army Contracting Personnel Awarded Four Noncompetitive IT Contracts Without Proper Justification

Army contracting personnel did not properly justify the use of other than full and open competition for 4 of the 39 sole-source contracts, valued at about \$83.3 million. Army contracting personnel did not appropriately apply the authority under FAR 6.302-1, only one responsible source. For three of the four contracts, this occurred because in 2008 an INSCOM contracting officer changed a multiple-award contract to three sole-source contracts when he issued the first task order. In 2013, an INSCOM contracting officer then awarded three bridge contracts, valued at \$83.1 million, as sole-source contracts stating only one source was available to provide the services. For the remaining Army contract, valued at \$204,710, the ACC-RI contracting officer did not include sufficient information in the J&A to support the sole-source award. As a result, the Army contracting personnel could have saved DoD funds or received better IT service capabilities using full and open competition.

Army INSCOM Contracting Personnel Incorrectly Awarded Three Sole-Source Contracts

INSCOM contracting personnel did not properly justify three sole-source contracts valued at \$83.1 million. The three sole-source contracts were a follow-on effort from multiple-award, indefinite-delivery indefinite-quantity (IDIQ) contracts awarded in FY 2008. INSCOM contracting personnel awarded the multiple-award IDIQ contracts using a request for proposal solicitation method posted on Federal Business Opportunities in 2007 and received 13 proposals.

The intent of multiple-award IDIQ contracts is to promote a competitive environment among the contractors selected. FAR 16.504(c)(1)(ii)(A) states:

The contracting officer must avoid situations in which awardees specialize exclusively in one or few areas within the statement of work, thus creating the likelihood that orders in those areas will be awarded on a sole-source basis; however, each awardee need not be capable of performing every requirement as well as any other awardee under the contracts.

Also, FAR 16.504(c)(1)(ii)(B) states the contracting officer must not use the multiple-award approach when:

- only one contractor is capable of providing performance at the level of quality required because the services are unique or highly specialized; or
- the projected orders are so integrally related that only a single contractor can reasonably perform the work.

The actions the INSCOM contracting officer performed for this requirement were actions the FAR directly states to avoid.

INSCOM contracting personnel procured IT services for a technology insertion requirement⁸ with the work performed simultaneously. The previous INSCOM contracting officer awarded the first task order under the FY 2008 multiple-award IDIQ contracts specifying one of the three main areas of work for each contractor to perform. This created a sole-source environment at the first task order under the multiple-award IDIQ contracts. The actions the INSCOM contracting officer performed for this requirement were actions the FAR directly states to avoid.

The current INSCOM contracting officer followed this lead and issued the following three sole-source awards citing the authority under FAR 6.302-1, only one responsible source within the J&A.

- W911W4-13-C-0007 provided the capabilities integration support (development).
- W911W4-13-C-0008 provided the operation and maintenance.
- W911W4-13-C-0009 provided the integration support (testing).

The three 2013 J&A Market Research sections for the contracts stated:

...several companies can potentially address the overall requirement. However, few of these IT providers [IT contractors] have the expertise...and none can immediately assume this critical mission without unacceptable disruption caused by transition and learning curve delays.

Personnel also discussed a transition period of 45 days in the J&As, but no explanation existed in the contract file for why this period was not planned for in the acquisition to allow competition among the available providers. Competition may have provided a lower cost to the Government covering the transition period costs.

⁸ The technology insertion is to enhance the ability of intelligence analysts to pursue and deliver intelligence requirements.

Finally, the current INSCOM contracting officer stated if she had more time she would have competed the 2013 effort. However, FAR 6.301(c)(1) states that contracting without providing for full and open competition shall not be justified on the basis of a lack of advance planning by the requiring activity. The Commanding General, INSCOM should require refresher training for all contracting personnel on use of multiple-award contracts and supporting J&As in accordance with the FAR justification requirements.

Army ACC-RI Contracting Personnel Incorrectly Awarded One Sole-Source Contract

ACC-RI contracting personnel did not properly justify one sole-source contract valued at \$204,710. Specifically, the contracting officer did not include sufficient information in the J&A to support the sole-source award. For this effort, the ACC-RI contracting officer procured hardware to provide cable television for DoD and other users within the Pentagon. The J&A stated various DoD agency personnel located at the Pentagon require real-time media coverage of global events, news, and current events to accomplish their mission. This effort was to replace several cable television components that will reach or have surpassed their end of life or end of support cycle, or both, by year-end. The J&A stated this was necessary to upgrade and migrate to new hardware under an existing system for the rebroadcast and distribution of cable television and video signals within the Pentagon.

Within the J&A, the ACC-RI contracting officer cited the authority under FAR 6.302-1 and stated only one responsible source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized. The reason for the authority cited within the J&A stated the software was proprietary/licensed to the manufacturer, and encryption was required to maintain redistribution. However, the ACC-RI contracting officer did not explain within the J&A the need for the proprietary/licensed software or encryption when providing cable television for DoD and other users within the Pentagon.

In addition, FAR 6.302-1(a)(2)(ii) states that

supplies may be deemed to be available only from the original source in the case of a follow-on contract for the continued development or production of a major system or highly specialized equipment including major components thereof, when it is likely that award to any other source would result in—(A) substantial duplication of cost to the Government that is not expected to be recovered through competition, or (B) unacceptable delays in fulfilling the agency's requirements.

However, the ACC-RI contracting officer did not discuss either as the reason for the authority cited within the J&A. The ACC-RI contracting officer stated this occurred because at the time, he was executing year-end buys and, with sequestration, he could not confirm with the requiring activity on whether this was a commercial purchase. This is not a systemic problem at ACC-RI, so we are not making a recommendation.

Army Could Have Saved DoD Funds

Army contracting personnel could have saved DoD funds or received better IT service capabilities using full and open competition. For the IT services procured, the Army contracting personnel did not obtain the benefits of competition and potentially did not receive the best capable, innovative source to perform the IT services. Without competition, the Army contracting personnel may have excluded potential capable sources and may have caused the Army to pay more for the services procured.

Army Contracting Personnel Did Not Follow Synopsis Requirements for Noncompetitive Contracts

Army contracting personnel did not comply with synopsis requirements for 20 of the 39 proposed contract actions because they:

- stated that they thought the correct exception was used;
- stated synopses were completed but were not saved and could not be recovered; or
- unintentionally did not fill out all the required information.

FAR subpart 5.2 requires contracting officers to transmit a notice to Federal Business Opportunities for each proposed contract action expected to exceed \$25,000 unless a FAR 5.202 exception applies. The intent of the notice is to improve small business access to acquisition information and enhance competition by identifying contracting and subcontracting opportunities. However, Army contracting personnel did not:

- post the required synopsis for 13 proposed contracts; and
- include FAR data element requirements in the synopses for 7 proposed contracts.

For each of the actions that were not properly synopsisized, contracting personnel reduced the opportunities for potential contractors to express their interest in competing for these contracts.

Army contracting personnel met synopsis time requirements when applicable. See Appendix F for additional information on the 20 synopses that did not adequately meet FAR requirements.

Army Contracting Personnel Did Not Post the Required Synopsis

Army contracting personnel did not post the required synopsis for 13 contracts. Army contracting personnel did not include the synopsis in the contract file, and could not provide a copy for 9 proposed contracts. In addition, contracting personnel did not synopsise or cite an appropriate exception to the posting requirement for four proposed contracts. The contracting personnel provided the following reasons for not having a synopsis. Army contracting personnel stated they posted the synopsis but did not save a copy and could not recover the synopsis, or a synopsis was not posted because the contracting personnel did not have enough time to complete the requirement.

For one contract, contracting personnel considered the J&A to meet the requirement, even though there was a separate posting requirement. For another contract, the contracting personnel posted a special notice after the contract effective date with similar content; however, a synopsis must be posted before contract effective date to meet the intent of the FAR subpart 5.2.

Army contracting personnel cited exceptions to posting a synopsis for four proposed contracts; however, contracting personnel inappropriately applied the cited exceptions. For two of the four proposed contracts, contracting personnel were aware the exception used was not applicable, and a synopsis should have been posted. For one contract, personnel cited a synopsis posting exception related to sole-source awards under the FAR 6.302-2 "Unusual and Compelling Urgency" authority; however, this contract applied a different sole-source authority. For the remaining contract, contracting personnel stated in the J&A that a synopsis will not be posted in accordance with FAR 5.202(a)(11),

The contracting officer need not submit the notice required by FAR 5.201 when the contracting officer determines that the proposed contract action is made under the terms of an existing contract that was previously synopsized in sufficient detail to comply with the requirements of 5.207 with respect to the current proposed contract action.

The contracting officer stated that the J&A referred to a synopsis posted April 11, 2008; however, this synopsis was not for the previous contract. The synopsis for the previous contract did not meet the intent of the exception because it was not accessible to the current market or potential contractors.

The Deputy Assistant Secretary of the Army (Procurement) should require all Advocates for Competition to issue guidance providing special emphasis on Federal Acquisition Regulation Subpart 5.2 “Synopsis of Proposed Contract Actions,” and require refresher training for contracting personnel to fully implement Federal Acquisition Regulation Subpart 5.2.

Synopsis Missing Data Element Requirements

Army contracting personnel did not include FAR data elements requirements in the synopsis for 7 of the 26 reviewed synopsisized contracts,⁹ because contracting personnel unintentionally did not include all of the required information. FAR 5.207 “Content,” provides a list of data elements that should be included in a synopsis, as applicable.

- FAR 5.207(c)(15) and (16) include requirements related specifically to noncompetitive contract actions that should be included in the description of a synopsis.
- FAR 5.207(c)(15) requires the synopsis for noncompetitive contract actions to identify the intended source and provide a statement justifying the lack of competition.
- FAR 5.207(c)(16) requires the synopsis for noncompetitive contract actions to include a statement that all responsible sources may submit a capability statement, bid, proposal, or quotation, “which shall be considered by the agency.”

Army contracting personnel did not include content requirements from FAR 5.207(a) for six synopses, including:

- two synopses did not state the contractor’s name;
- one synopsis did not list the place of performance; and
- three synopses did not include the response date or the place of performance.

Army contracting personnel did not meet either requirement of FAR 5.207(c)(15) in two synopses and did not meet the requirement in FAR 5.207(c)(16) in four synopses. This is not a systemic problem, so we are not making a recommendation.

⁹ A synopsis is only counted once even when contracting personnel did not include multiple content requirements.

Army Contracting Personnel Complied With Synopsis Time Requirements

Army contracting personnel complied with the applicable time frames established in FAR subpart 5.2 for the 26 synopsisized contracts. FAR 5.203(a) states that the notice must be published at least 15 days before issuance of a solicitation or a proposed contract action that the Government intends to solicit and negotiate with only one source, except for acquisitions of commercial items that may have a shorter period of time or use a combined synopsis and solicitation procedure.

Army contracting personnel provided more than 15 days after the synopses for 7 of the 26 proposed contract actions. The remaining 19 proposed contract actions were for commercial items. The FAR states that the acquisition of commercial items may have a shorter period of time between the synopsis and issuance of a solicitation or proposed contract action or may use a combined synopsis and solicitation procedure.

Army May Have Excluded Potential Sources

For each of the proposed contract actions not properly synopsisized, contracting personnel potentially excluded sources. Personnel reduced the awareness of potential contractors of the available contracting opportunities by not posting a complete synopsis. This limited the possibility of contractors responding to show they are capable of providing the needed services for the current or future contracts with similar requirements. Interested contractors could have submitted a capability statement and potentially competed for 20 contract awards if the contracting office properly synopsisized the requirement.

Army Contracting Personnel Properly Awarded Contracts Required by Statute

Army contracting personnel used a valid statutory requirement when awarding all 14 contracts with a value (including options) of about \$58.7 million. FAR 6.302-5 allows for contracting officers to award contracts using procedures other than full and open competition when a statute expressly authorizes, or requires, that the acquisition be made through another agency or from a specified source. Contracting officers may use this authority when statutes authorize¹⁰ or require that acquisitions be made from a specified source or through another agency such as the following:

- Federal Prison Industries;
- Qualified Nonprofit Agencies for the Blind or other Severely Disabled;

¹⁰ 10 United States Code 2304 (c)(5)

- Government Printing and Binding;
- Sole-source awards under the 8(a);
- Sole-source awards under the Historically Underutilized Business Zones Act of 1997; or
- Sole-source awards under the Veterans Benefits Act of 2003.

In accordance with FAR 6.302-5, Army contracting personnel awarded all 14 contracts in accordance with Section 8(a) of the Small Business Act program. For verification purposes, we reviewed documentation such as the Small Business Administration Acceptance Letter and Small Business Coordination Record.

Conclusion

For the J&As reviewed, Army contracting personnel generally complied with content requirements, cited the appropriate authority, and obtained approval from the proper personnel. Further, personnel generally complied with market research requirements. However, Army contracting personnel need to improve justifying the use of other than full and open competition. Competition helps ensure that DoD receives the best capabilities for the best value. When competition is not used, Army personnel must properly justify the reasons for the sole-source award. Additionally, Army personnel need to improve completion of the synopsis requirements so that all contractors have the opportunity to learn about potential contract awards.

Recommendations, Management Comments, and Our Response

Recommendation 1

We recommend that the Deputy Assistant Secretary of the Army (Procurement):

- Require all Advocates for Competition to issue guidance providing special emphasis on Federal Acquisition Regulation Subpart 5.2, “Synopses of Proposed Contract Actions.”**

Deputy Assistant Secretary of the Army (Procurement) Comments

The Deputy Assistant Secretary of the Army (Procurement) agreed, stating that he will issue a “PARC” [Principal Assistant Responsible for Contracting] Tasker within 90 days of the final report to instruct all principle assistants responsible for contracting to emphasize the importance of contracting officers to synopsize their noncompetitive contract actions in accordance with FAR Subpart 5.2 and apply special attention to the established time frames for publishing.

Our Response

Comments from the Deputy Assistant Secretary addressed all specifics of the recommendation, and no further comments are required.

- b. Require refresher training for contracting personnel to fully implement Federal Acquisition Regulation Subpart 5.2, “Synopsis of Proposed Contract Actions.”**

Deputy Assistant Secretary of the Army (Procurement) Comments

The Deputy Assistant Secretary of the Army (Procurement) agreed, stating that within the “PARC” [Principle Assistant Responsible for Contracting] Tasker (issued in response to Recommendation 1.a), he will include instructions for all contracting supervisors to ensure their subordinates are trained on FAR Subpart 5.2 within 2 years of the tasker date.

Our Response

Comments from the Deputy Assistant Secretary addressed all specifics of the recommendation, and no further comments are required.

Recommendation 2

We recommend that the Commanding General, Army Intelligence and Security Command, require refresher training for contracting personnel on use of multiple-award contracts and for fully supporting justifications in accordance with Federal Acquisition Regulation Subpart 6.3, “Other Than Full and Open Competition.”

Chief of Staff, Army Intelligence and Security Command Comments

The Chief of Staff, INSCOM, responding for the Commanding General, INSCOM, agreed, stating that the INSCOM Acquisition Center will train contracting personnel on the proper use of multiple-award IDIQ contracts and how to prepare supporting documentation for sole-source justifications no later than June 30, 2015.

Our Response

Comments from the Chief of Staff addressed all specifics of the recommendation, and no further comments are required.

Appendix A

Scope and Methodology

We completed work for this report from April 2014 through August 2014 under the “Audit of DoD Information Technology Contracts Issued Without Competition” (Project No. D2014-D000CG-0171.000). In August 2014, we decided to issue multiple reports as a result of those efforts. In August 2014, we announced this project, “Audit of Army Information Technology Contracts Issued Without Competition” (Project No. D2014-D000CG-0214.000) specifically for the Army contracts. We conducted this performance audit through February 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We plan to issue separate reports for each Service and one report to include the Defense Agencies. This is the second report in the planned series of reports and includes contracts issued by the Department of the Army at five sites. This audit was announced in anticipation of the pending Fiscal Year 2015 National Defense Authorization Act that requires the DoD Inspector General to review DoD noncompetitive IT contracts to determine whether they were properly justified as sole source.

Universe and Sample Information

To address our audit objective, we queried FPDS-NG to determine the contract universe. We created an FPDS-NG ad hoc query to pull relevant fields and filtered the data to populate the Product Service Codes that began with “IT” and contracts issued from October 1, 2012, through April 10, 2014. We excluded:

- contract actions with two or more offers received,
- contract actions valued below the simplified acquisition threshold (\$150,000), and
- contract actions that used General Service Administration contracts or other interagency contracts.

Our FPDS-NG queries identified that Department of the Army contracting personnel awarded 199 IT contracts that received only one offer with a value including base and option years of about \$797.3 million. When selecting locations to visit, we considered the total number of contracts issued, the corresponding total contract value (including options), and the proximity of the locations to one another. We nonstatistically reviewed contracts at the:

- Intelligence and Security Command, Fort Belvoir, Virginia;
- Mission and Installation Contracting Command, Fort Belvoir, Virginia;
- Army Contracting Command-Aberdeen Proving Ground, Maryland;
- Army Contracting Command-Aberdeen Proving Ground, Fort Huachuca, Arizona; and
- Army Contracting Command-Rock Island, Illinois.

Of the locations we selected, the initial data we obtained from FPDS-NG resulted in a contract universe of 71 contracts with a value of about \$282.4 million. We excluded 18 of the 71 contracts because:

- 16 contracts were competed,
- 1 contract was for Foreign Military Sales, and
- 1 contract was for a Federal Supply Schedule purchase.

We reviewed the remaining nonstatistically selected 53 contracts with a value of about \$266.6 million in FPDS-NG. Of those 53 contracts, 14 were required to be made from a specified source by statute. For those 14 contracts, we limited our review to verifying whether the contracts contained a valid statutory requirement.

Review of Documentation and Interviews

We reviewed pertinent documentation including the contracts, J&As for Other than Full and Open Competition, records of market research, performance work statements, the Federal Business Opportunities synopses, and other key decision making documents. To obtain this documentation, we used Electronic Document Access systems, Army Paperless Contract Files and the Federal Business Opportunities website.¹¹ We evaluated the documentation obtained against applicable criteria including:

- FAR Part 5, “Publicizing Contract Actions,”
- FAR Subpart 6.3, “Other Than Full and Open Competition,” and
- FAR Part 10, “Market Research.”

¹¹ <https://www.fbo.gov/>

Contracting personnel completed acquisitions through specified sources as required by statute using 8(a) awards as authorized by FAR 6.302-5(b)(4). As decided with the House Armed Services Committee staff, we did not complete a full review of the 8(a) contracts. For verification purposes, we reviewed documentation such as the Small Business Administration Acceptance Letter and Small Business Coordination Record, DD Form 2579.

We interviewed contracting officers and specialists responsible for the contracts to discuss noncompetitive IT contract awards and to obtain additional information regarding the noncompetitive contract files identified in our sample, specifically about the justification and approval for other than full and open competition and market research. We also interviewed the competition advocates at each site to gain an understanding of the competition advocates' responsibilities and role in noncompetitive contract awards.

Use of Computer-Processed Data

We did not rely on computer-processed data to perform this audit that supported our findings, conclusions, and recommendations.

Use of Technical Assistance

We received assistance from the Quantitative Methods and Analysis Division at the DoD Office of Inspector General. We determined that we would use FPDS-NG data to select contracting activities to review. During our site visits, we worked with Army contracting personnel to verify that the selected contracts met the scope of our review.

Appendix B

Prior Coverage

During the last 5 years, the Government Accountability Office, DoD IG, and the Army Audit Agency issued 17 reports discussing contracts issued without competition. Unrestricted Government Accountability Office reports can be accessed over the Internet at <http://www.gao.gov>. DoD IG reports can be accessed over the Internet at <http://www.dodig.mil/>.

Government Accountability Office

Report No. GAO-14-721R, "Contract Management: DoD's Implementation of Justifications for 8(a) Sole-Source Contracts," September 9, 2014

Report No. GAO-14-427R, "Defense Contracting: DoD's Use of Class Justifications for Sole-Source Contracts," April 16, 2014

Report No. GAO-14-304, "Federal Contracting: Noncompetitive Contracts Based on Urgency Need Additional Oversight," March 26, 2014

Report No. GAO-13-325, "Defense Contracting: Actions Needed to Increase Competition," March 28, 2013

Report No. GAO-12-263, "Defense Contracting: Improved Policies and Tools Could Help Increase Competition on DoD's National Security Exception Procurements," January 13, 2012

Report No. GAO-10-833, "Federal Contracting: Opportunities Exist to Increase Competition and Assess Reasons When Only One Offer is Received," July 26, 2010

DoD IG

Report No. DODIG-2015-071, "The Navy and Marine Corps' Information Technology Contracts Awarded Without Competition Were Properly Justified," January 23, 2015

Report No. DODIG-2013-034, "Better Processes Needed to Appropriately Justify and Document NAVSUP WSS, Philadelphia Site Sole-Source Awards," December 21, 2012

Report No. DODIG-2013-003, "Army Contracting Command-Aberdeen Proving Ground Contracting Center's Management of Noncompetitive Awards Was Generally Justified," October 19, 2012

Report No. DODIG-2012-084, "Air Force Aeronautical Systems Center Contracts Awarded Without Competition Were Properly Justified," May 10, 2012

Report No. DODIG-2012-077, "Naval Surface Warfare Center Crane Contracts Awarded Without Competition Were Adequately Justified," April 24, 2012

Report No. DODIG-2012-076, "Army Contracting Command–Rock Island Contracts Awarded Without Competition Were Properly Justified," April 19, 2012

Report No. DODIG-2012-073, "Natick Contracting Division's Management of Noncompetitive Awards Was Generally Justified," April 10, 2012

Report No. DODIG-2012-042, "Naval Air Systems Command Lakehurst Contracts Awarded Without Competition Were Properly Justified," January 20, 2012

Army Audit Agency

Report No. A-2012-0018-IET, "Information Technology Service Contract: Program Executive Office Simulation, Training and Instrumentation," November 21, 2011

Report No. A-2011-0002-ALC, "Extent of Competition in Army Contracting," October 12, 2010

Report No. A-2010-0115-FFI, "Synchronizing Installation Information Technology Requirements, Office of the Chief Information Officer/G-6," June 28, 2010

Appendix C

Noncompetitive IT Contracts Reviewed

This appendix lists the 39 Army sole-source contracts issued from October 1, 2012, through April 10, 2014 that we performed a full review.

	Contract Number	Description	Contract Award Date	Contract Type	Authority Cited	Contract Value, Including Options
INSCOM, Fort Belvoir						
1	W911W4-13-C-0007	Nonpersonal services providing technology insertion capabilities integration support	8/30/2013	CPFF and Cost	10 U.S.C. 2304(c)(1) and FAR 6.302-1	\$32,107,200
2	W911W4-13-C-0008	Nonpersonal services providing technology insertion operation and maintenance support	8/30/2013	CPFF and Cost	10 U.S.C. 2304(c)(1) and FAR 6.302-1	23,934,919
3	W911W4-13-C-0009	Nonpersonal services providing technology insertion integration support	8/30/2013	CPFF and Cost	10 U.S.C. 2304(c)(1) and FAR 6.302-1	27,019,494
Subtotal						\$83,061,613
MICC, Fort Belvoir						
4	W91QV1-14-C-0003	Ongoing operation and maintenance support	12/12/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	\$639,710
Subtotal						\$639,710
ACC-APG						
5	W15P7T-13-C-0038	Software Licenses and Test Licenses Renewals	7/1/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	\$173,466
6	W15P7T-13-C-E037	Annual Renewal of COTS software maintenance/support	7/1/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1(c)	1,613,947

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Noncompetitive IT Contracts Reviewed (cont'd)

	Contract Number	Description	Contract Award Date	Contract Type	Authority Cited	Contract Value, Including Options
7	W15P7T-13-C-E040	Renewal of COTS software maintenance/annual software licenses	9/19/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	248,966
8	W15P7T-13-C-E043	COTS maintenance	7/16/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1(c)	1,732,500
9	W15P7T-13-C-E044	COTS software maintenance/support	8/7/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	432,800
10	W15P7T-13-C-E047	COTS software maintenance/support	8/30/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1(c)	183,348
11	W15P7T-13-C-E050	COTS software maintenance/support	9/20/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	5,199,946
12	W15P7T-13-C-E055	COTS software maintenance/support agreements	9/27/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 13.5	424,665
13	W15P7T-13-C-E056	Renewal COTS software maintenance/support	9/9/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1(c)	971,221
14	W15P7T-13-C-E060	Renewal of COTS software maintenance/support	9/5/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 13.5	1,223,688
15	W15P7T-13-C-E067	Annual Renewal COTS software maintenance/support agreements	7/2/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	9,973,934
16	W15P7T-13-C-E069	COTS software maintenance/support agreements	8/15/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1(c)	892,941
17	W15P7T-13-C-E076	COTS software maintenance/support agreements	8/15/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 13.5	2,301,540
18	W15P7T-13-C-E084	COTS support and annual licenses	9/27/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 13.5	666,600

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Noncompetitive IT Contracts Reviewed (cont'd)

	Contract Number	Description	Contract Award Date	Contract Type	Authority Cited	Contract Value, Including Options
19	W15P7T-13-C-E087	Annual Renewal of COTS software maintenance/ support agreements	7/25/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1(c)	7,126,272
20	W15P7T-13-C-E090	COTS License subscriptions and annual maintenance renewal	9/23/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 13.5	334,505
21	W15P7T-13-C-E095	Renewal of COTS annual software maintenance support	9/6/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 13.5	450,000
22	W15P7T-13-C-E101	COTS annual Maintenance/support	9/27/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 13.5	355,755
23	W15P7T-13-D-E041	COTS new software licenses and software maintenance/support	9/4/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	12,500,000
24	W15P7T-14-C-E104	COTS annual maintenance/ support agreements	3/31/2014	FFP	10 U.S.C. 2304(c)(1) and FAR 13.5	749,438
25	W91CRB-13-C-0016	Nonpersonal services to provide Army Equipping Enterprise decision support	3/16/2013	CPFF	10 U.S.C. 2304(c)(1) and FAR 6.302-1	8,649,830
26	W91CRB-13-C-0041	Annual Maintenance and support	8/14/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	424,991
Subtotal						\$56,630,354
ACC-APG, Fort Huachuca						
27	W91RUS-13-C-0003	Nonpersonal information technology services and support requirements	12/27/2012	CPFF and Cost	10 U.S.C. 2304(c)(1) and FAR 6.302-1	\$33,205,350
28	W91RUS-13-C-0008	Nonpersonal technical services to support the operation and maintenance	3/28/2013	Cost and FFP	10 U.S.C. 2304(d)(1)(B) and FAR 6.302-1	2,573,703

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Noncompetitive IT Contracts Reviewed (cont'd)

	Contract Number	Description	Contract Award Date	Contract Type	Authority Cited	Contract Value, Including Options
29	W91RUS-13-C-0013	Nonpersonal active directory services	5/14/2013	Cost and FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	500,922
30	W91RUS-13-C-0038	Nonpersonal technical services to support operation and maintenance	9/26/2013	Cost and FFP	10 U.S.C. 2304(d)(1)(B) and FAR 6.302-1	5,260,417
31	W91RUS-13-D-0009	Nonpersonal information technology services	8/29/2013	CPFF, FFP, Cost	10 U.S.C. 2304(c)(1) and FAR 6.302-1	9,000,000
Subtotal						\$50,540,392
ACC-RI						
32	W52P1J-13-C-0013	Independent Verification and Validation Support Services	4/11/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	\$1,299,528
33	W52P1J-13-C-0025	Professional Consulting Services	3/15/2013	Labor-Hour	10 U.S.C. 2304(c)(1) and FAR 6.302-1	9,531,715*
34	W52P1J-13-C-0029	Services for information technology and telecommunication management support	3/23/2013	Cost and FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	150,876*
35	W52P1J-13-C-0059	Defense Video and Imagery Distribution Systems Operations Hub	9/27/2013	FFP and Cost Reimbursable	10 U.S.C. 2304(c)(1) and FAR 6.302-1	2,197,784
36	W52P1J-13-C-0065	Professional support services for development and integration services	9/28/2013	FFP and T&M	10 U.S.C. 2304(c)(1) and FAR 6.302-1	5,242,597†
37	W52P1J-13-P-5075	APEX3000 and associated hardware providing cable TV	9/25/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	204,710

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Noncompetitive IT Contracts Reviewed (cont'd)

	Contract Number	Description	Contract Award Date	Contract Type	Authority Cited	Contract Value, Including Options
38	W52P1J-14-C-0013	Upgrades to information technology infrastructure	12/11/2013	FFP	10 U.S.C. 2304(c)(1) and FAR 6.302-1	7,870,392
39	W52P1J-14-C-0021	Wideband remote monitoring system	2/14/2014	CPFF, FFP and Cost No Fee	10 U.S.C. 2304(c)(1) and FAR 6.302-1	12,430,650 [†]
Subtotal						\$38,928,251
Total						\$229,800,320

* The contract value was for the base year only.

[†] The contract value was a not to exceed value under an undefinitized contract action.

LEGEND

ACC	Army Contracting Command	FAR Subpart 13.5	Test Program for Certain Commercial Items
APG	Aberdeen Proving Ground	FFP	Firm Fixed Price
CPFF	Cost Plus Fixed Fee	INSCOM	Army Intelligence and Security Command
COTS	Commercial Off-The-Shelf	MICC	Mission and Installation Contracting Command
FAR	Federal Acquisition Regulation	RI	Rock Island
FAR 6.302-1	Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements	T&M	Time and Material
FAR 6.302-1(c)	Brand Name	U.S.C.	United States Code

Appendix D

Noncompetitive 8(a) IT Contracts Reviewed

This appendix lists the 14 Army sole-source 8(a) program contracts issued from October 1, 2012, through April 10, 2014, that we reviewed for verification purposes.

	Contract Number	Description	Contract Award Date	Contract Type	Authority Cited	Contract Value, Including Options
INSCOM, Fort Belvoir						
1	W911W4-14-C-0007	IT computer automation, data processing operation and maintenance support services	3/21/2014	Cost and FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	\$2,976,759
Subtotal						\$2,976,759
MICC, Fort Belvoir						
2	W91QV1-13-C-0029	Analytical, program management support	5/16/2013	FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	\$1,427,417
Subtotal						\$1,427,417
ACC-APG						
3	W15P7T-13-C-E039	COTS new software licenses and software maintenance support agreements	9/20/2013	FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	\$1,291,202
4	W15P7T-14-C-E009	On-site support and maintenance	4/2/2014	FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	777,310
5	W91CRB-14-C-0017	Tactical and Strategic Services in support of contract writing systems	2/27/2014	Cost and FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	5,093,415
6	W91ZLK-13-C-0017	Nonpersonal SharePoint and Database Administration Support Services	5/24/2013	CPFF	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	2,495,225
Subtotal						\$9,657,152

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Noncompetitive 8(a) IT Contracts Reviewed (cont'd)

	Contract Number	Description	Contract Award Date	Contract Type	Authority Cited	Contract Value, Including Options
ACC-APG, Fort Huachuca						
7	W91RUS-13-C-0005	Help Desk personnel	2/6/2013	Cost and FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	\$2,026,482
8	W91RUS-13-C-0028	Active Directory Services	8/23/2013	Cost and FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	4,577,836
9	W91RUS-13-D-0008	New installations and upgrades of IT communications infrastructure	9/20/2013	FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	4,000,000
10	W91RUS-14-C-0007	Customer Support Branch Personnel	2/11/2014	Cost and FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	17,550,213
11	W91RUS-14-C-0012	Nonpersonal services for Tier II support	4/3/2014	Cost and FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	10,770,841
Subtotal						\$38,925,372
ACC-RI						
12	W52P1J-13-C-0057	IT and knowledge management support	9/27/2013	FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	\$3,006,102
13	W52P1J-13-C-5028	Services for data system and information assurance support	9/23/2013	FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	1,445,140
14	W52P1J-14-C-3011	Copier maintenance	2/17/2014	Cost and FFP	10 U.S.C. 2304(c)(5) and FAR 6.302-5(b)(4)	1,265,294
Subtotal						\$5,716,536
Total						\$58,703,235

LEGEND

ACC	Army Contracting Command	FFP	Firm Fixed Price
APG	Aberdeen Proving Ground	IT	Information technology
CPFF	Cost Plus Fixed Fee	INSCOM	Army Intelligence and Security Command
COTS	Commercial Off-The-Shelf	MICC	Mission and Installation Contracting Command
FAR	Federal Acquisition Regulation	RI	Rock Island
FAR 6.302-5(b)(4)	Authorized or Required by Statute under the 8(a) Program	U.S.C.	United States Code

Appendix E

Market Research Conducted

This appendix lists the market research performed by Army personnel.

	Contract Number [†]	Contract Value, Including Options	Specific Steps Performed	Results of Market Research or Justification for Not Conducting Market Research	Supporting Documentation	Market Research Considered Adequate
INSCOM, Fort Belvoir						
1	W911W4-13-C-0007	\$32,107,200	Past Experience, performed internet searches on GSA and considered commercial opportunities/market	Identified other potential sources	J&A, MRR, Acquisition Plan, Acquisition Strategy Document and D&F for Non-commercial item	Yes
2	W911W4-13-C-0008	23,934,919	Past Experience, performed internet searches on GSA and considered commercial opportunities/market	Identified other potential sources	J&A, MRR, Acquisition Plan, Acquisition Strategy Document and D&F for Non-commercial item	Yes
3	W911W4-13-C-0009	27,019,494	Past Experience, performed internet searches on GSA and considered commercial opportunities/market	Identified other potential sources	J&A, MRR, Acquisition Plan, Acquisition Strategy Document and D&F for Non-commercial item	Yes
Subtotal		\$83,061,613				
MICC, Fort Belvoir						
4	W91QV1-14-C-0003*	\$639,710	Researched the capabilities of vendors available using various databases for contract vehicles	Significant likelihood of capable vendor(s) could be found to support the requirements for this program. Also, the services are general and widely available in the commercial market.	J&A, MRR and Commerciality Determination	No
Subtotal		\$639,710				

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Market Research Conducted (cont'd)

	Contract Number [†]	Contract Value, Including Options	Specific Steps Performed	Results of Market Research or Justification for Not Conducting Market Research	Supporting Documentation	Market Research Considered Adequate
ACC-APG						
5	W91CRB-13-C-0016	\$8,649,830	Held an Industry Day, performed research on each company that participated via internet and posted a RFI to FBO	To pursue a full and open solicitation	J&A and MRR	Yes
Subtotal		\$8,649,830				
ACC-APG, Fort Huachuca						
6	W91RUS-13-C-0003	\$33,205,350	Sources Sought Posting to FBO, including draft PWS for reference and industry comments. Also, synopsis posting to FBO for this sole-source award	41 companies responded to sources sought posting and evaluated one capability statement to the sole-source award synopsis posting	J&A, Market Research Statement and Acquisition Plan/Acquisition Strategy	Yes
7	W91RUS-13-C-0008	2,573,703	None Identified	Staff this requirement through in-sourcing with soldiers and DACs	J&A, MRR and SAS	No
8	W91RUS-13-C-0013	500,922	Posted a special notice to FBO for this sole-source award and posted a source sought notice for the follow-on effort	No responses received for the special notice but received 30 capability statements from the sources sought that the requiring activity is evaluating	J&A and SAS	Yes
9	W91RUS-13-C-0038	5,260,417	None Identified	Staff this requirement through in-sourcing with soldiers and DACs	J&A, MRR and SAS	No

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Market Research Conducted (cont'd)

	Contract Number [†]	Contract Value, Including Options	Specific Steps Performed	Results of Market Research or Justification for Not Conducting Market Research	Supporting Documentation	Market Research Considered Adequate
10	W91RUS-13-D-0009	9,000,000	Posted a special notice to FBO for this sole-source award and posted a source sought notice for the follow-on effort	Four companies expressed interest to the special notice posting and 23 firms responded to the source sought notice	J&A and SAS	Yes
Subtotal		\$50,540,392				
ACC-RI						
11	W52P1J-13-C-0013	\$1,299,528	Posted a sources sought notice and reviewed prior history	Received multiple responses from sources sought notice	J&A, Sources Sought Notice, MFR on Sources Sought Notice	Yes
12	W52P1J-13-C-0025	9,531,715	Actively participating in industry conferences, symposiums and coordination efforts to pursue information impacting solutions to this requirement	Contractor did not want to sell the source code or technical data packages	J&A, SAS and Market Research Results	Yes
13	W52P1J-13-C-0029	150,876	Competitive solicitation	5 competitive offers received	J&A	Yes
14	W52P1J-13-C-0059	2,197,784	Published a RFI and reviewed marketplace	Identified sources but they could not meet the Government's needs	J&A	Yes
15	W52P1J-13-C-0065	5,242,597	Searched for ITS-SB suite of contractors and reviewed the market	Found potential contractors, but none had the knowledge/expertise and identified no changes to the market	J&A and Market Research Document	Yes

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Market Research Conducted (cont'd)

	Contract Number [†]	Contract Value, Including Options	Specific Steps Performed	Results of Market Research or Justification for Not Conducting Market Research	Supporting Documentation	Market Research Considered Adequate
16	W52P1J-13-P-5075	204,710	Performed research and held discussions with CHES vendors	Contractor is the only source for the system	J&A and MRR	Yes
17	W52P1J-14-C-0013	7,870,392	Research multiple contracts to fulfill this requirement	Potential contract vehicles for this effort were set to expire or no longer available for use	J&A and MFR on Market Research	Yes
18	W52P1J-14-C-0021	12,430,650	Posted a RFI to FBO	Evaluated seven responses received from the RFI posting	J&A and MRR	Yes
Subtotal		\$38,928,251				
Total		\$181,819,796				

[†] We excluded 21 ACC-APG contracts from the above table for the procurement of software maintenance or license renewal agreements from previously purchased software.

* Army personnel conducted market research for this sole-source effort after contract award.

LEGEND

ACC	Army Contracting Command	J&A	Justification and Approval
APG	Aberdeen Proving Ground	MICC	Mission and Installation Contracting Command
CHES	Computer Hardware Enterprise Software Solutions	MRR	Market Research Report
DAC	Department of Army Civilian	MFR	Memorandum for Record
D&F	Determination & Finding	PWS	Performance Work Statement
FBO	Federal Business Opportunities	RFI	Request for Information
GSA	General Services Administration	RI	Rock Island
ITS-SB	Information Technology Services–Small Business	SAS	Service Acquisition Strategy
INSCOM	Army Intelligence and Security Command		

Appendix F

Synopses Needed Improvements

This appendix lists the synopsis requirements not met.

	Contract	Synopsis Not Posted	Synopsis Did Not Meet Time Requirements	Synopsis Did Not Meet Content Requirements		
				FAR 5.207(a)	FAR 5.207(c)(15)	FAR 5.207(c)(16)
INSCOM, Fort Belvoir						
1	W911W4-13-C-0007			✓ ^{†,‡}		
2	W911W4-13-C-0008			✓ ^{†,‡}		
3	W911W4-13-C-0009			✓ ^{†,‡}		
MICC, Fort Belvoir						
4	W91QV1-14-C-0003	✓				
ACC-APG						
5	W15P7T-13-C-0038		Commercial	✓ [*]	✓	✓
6	W15P7T-13-C-E040	✓				
7	W15P7T-13-C-E095	✓				
8	W15P7T-13-C-E101	✓ [§]				
9	W91CRB-13-C-0016	✓				
10	W91CRB-13-C-0041		Commercial	✓ [†]		✓
ACC-APG, Fort Huachuca						
11	W91RUS-13-C-0008	✓				
12	W91RUS-13-C-0013			✓ [*]	✓	✓
13	W91RUS-13-C-0038					✓

Acronyms and footnotes used throughout this Appendix are defined on the final page.

Synopses Needed Improvements (cont'd)

	Contract	Synopsis Not Posted	Synopsis Did Not Meet Time Requirements	Synopsis Did Not Meet Content Requirements		
				FAR 5.207(a)	FAR 5.207(c)(15)	FAR 5.207(c)(16)
ACC-RI						
14	W52P1J-13-C-0013	✓				
15	W52P1J-13-C-0025	✓ [§]				
16	W52P1J-13-C-0029	✓ [§]				
17	W52P1J-13-C-0059	✓ [§]				
18	W52P1J-13-C-0065	✓				
19	W52P1J-13-P-5075	✓				
20	W52P1J-14-C-0013	✓				

[†] Place of performance not included
[‡] Response date not included
^{*} Contractor not included
[§] Inappropriately applied an exception

LEGEND

ACC Army Contracting Command
APG Aberdeen Proving Ground
Commercial FAR 5.203(a) states that acquisitions of commercial items may have a shorter period of time between synopsis and issuance of a solicitation or a proposed contract action or may use a combined synopsis and solicitation procedure.
FAR Federal Acquisition Regulation
INSCOM Army Intelligence and Security Command
MICC Mission and Installation Contracting Command
RI Rock Island

Management Comments

Deputy Assistant Secretary of the Army (Procurement)



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
ACQUISITION LOGISTICS AND TECHNOLOGY
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

MAR 10 2015

SAAL-PR

MEMORANDUM FOR THE DEPARTMENT OF DEFENSE INSPECTOR
GENERAL, 4800 MARK CENTER DRIVE, ALEXANDRIA, VA 22350-1500

SUBJECT: DoDIG Draft Report on The Army's Information Technology
Contracts Awarded Without Competition Were Generally Justified, February 4
2015, Project No. D2014-D000CG-0214.000

1. On behalf of the Assistant Secretary of the Army (Acquisition, Logistics and
Technology), the Office of the Deputy Assistant Secretary of the Army
(Procurement) reviewed the subject draft report and I am providing the official
Army position to recommendations 1.a and 1.b. The enclosure provides the
detailed response.

2. The point of contact is [REDACTED]

Encl

Harry P. Hallock
Deputy Assistant Secretary
of the Army (Procurement)

Deputy Assistant Secretary of the Army (Procurement) (cont'd)

**Response to the Recommendations
for the Office of the Assistant Secretary of the Army (Acquisition, Logistics and
Technology) Deputy Assistant Secretary of the Army for (Procurement) (DASA(P))
on the Department of Defense Inspector General (DoDIG), Draft Report on The
Army's Information Technology Contracts Awarded Without Competition Were
Generally Justified (Project no. D2014-D000CG-0214.000)**

Recommendation 1.a: DASA(P), require all Advocates for Competition to issue guidance providing special emphasis on Federal Acquisition Regulation Subpart 5.2, Synopses of Proposed Contract Actions.

Response: Concur. The DASA(P) will issue a PARC Tasker within 90 days of the final report instructing all PARCs to emphasize, in an appropriate manner (For example: town hall meeting, written memorandum, brown bag lunch training session, etc.), the importance of contracting officers synopsizing their non-competitive contract actions in accordance with FAR 5.2 and paying special attention to the established time frames for publishing.

Recommendation 1.b: Require refresher training for contracting personnel to fully implement Federal Acquisition Regulations Subpart 5.2, Synopses of Proposed contract Actions".

Response-Concur: In the above PARC Tasker, the DASA(P) will include instructions for all contracting supervisors to ensure their subordinates receive training on FAR 5.2, Synopses of Proposed Contract Actions, within two years of the date of the PARC Tasker. Training will be conducted using established methods and a record of the individuals trained will be maintained in the office of the PARC.

Army Intelligence and Security Command



DEPARTMENT OF THE ARMY
UNITED STATES ARMY INTELLIGENCE AND SECURITY COMMAND
8825 BELLAH STREET
FORT BELVOIR, VIRGINIA 22060-5246

IAIR

10 Feb 2015

MEMORANDUM FOR Office of Inspector General, Program Director for Contract Management and Payment, Department of Defense, 4800 Mark Center Drive, Alexandria, VA 22350-1500

SUBJECT: INSCOM Command Comments to DoDIG Project D2014-D000CG-0214 Draft Report, The Army's Information Technology Contracts Awarded without Competition Were Generally Justified, 4 February 2015

1. Reference DoDIG Project D2014-D000CG-0214 Draft Report, The Army's Information Technology Contracts Awarded without Competition Were Generally Justified, 4 February 2015
2. INSCOM's comments regarding your recommendation in the referenced report are enclosed. The command concurs with the recommendation and expects to complete action to address the recommendation by 30 June 2015. We appreciate you meeting with us to discuss the results of the audit and your proposed recommendations.
3. Point of contact for this action is [REDACTED].

Encl

CF:
IAPC
IAIG


DARELL G. LANCE
Chief of Staff

Army Intelligence and Security Command (cont'd)

DoDIG Project D2014-D000CG-0214 Draft Report, The Army's Information Technology Contracts Awarded without Competition Were Generally Justified, 4 February 2015

1. Finding: Army INSCOM Contracting Personnel Incorrectly Awarded Three Sole-Source Contracts.

a. INSCOM contracting personnel did not properly justify three sole-source contracts valued at \$83.1 million. The three sole-source contracts were a follow-on effort from multiple-award, indefinite-delivery indefinite-quantity (IDIQ) contracts awarded in FY 2008. INSCOM contracting personnel awarded the multiple-award IDIQ contracts using a request for proposal solicitation method posted on Federal Business Opportunities in 2007 and received 13 proposals.

b. INSCOM contracting personnel procured IT services for a technology insertion requirement with the work performed simultaneously. The previous INSCOM contracting officer awarded the first task order under the FY 2008 multiple-award IDIQ contracts specifying one of the three main areas of work for each contractor to perform. This created a sole-source environment at the first task order under the multiple-award IDIQ contracts. The actions the INSCOM contracting officer performed for this requirement were actions the FAR directly states to avoid.

c. The current INSCOM contracting officer followed this lead and issued the following three sole-source awards citing the authority under FAR 6.302-1, only one responsible source within the J&A.

2. Recommendation 2. The Commanding General, Intelligence and Security Command, require refresher training for contracting personnel on use of multiple-award contracts and for fully supporting justifications in accordance with Federal Acquisition Regulation Subpart 6.3, "Other Than Full and Open Competition."

Action Taken. Concur. The INSCOM Acquisition Center will provide training on the proper use of multiple award IDIQ contracts and preparing supporting documentation for sole source justifications NLT the end of 3rd quarter fiscal year 2015.

Encl

Acronyms and Abbreviations

ACC	Army Contracting Command
APG	Aberdeen Proving Ground
FAR	Federal Acquisition Regulation
FPDS-NG	Federal Procurement Data System–Next Generation
IDIQ	Indefinite-Delivery Indefinite-Quantity
INSCOM	Army Intelligence and Security Command
IT	Information Technology
J&A	Justification and Approval
MICC	Mission and Installation Contracting Command
RI	Rock Island

Whistleblower Protection

U.S. DEPARTMENT OF DEFENSE

The Whistleblower Protection Enhancement Act of 2012 requires the Inspector General to designate a Whistleblower Protection Ombudsman to educate agency employees about prohibitions on retaliation, and rights and remedies against retaliation for protected disclosures. The designated ombudsman is the DoD Hotline Director. For more information on your rights and remedies against retaliation, visit www.dodig.mil/programs/whistleblower.

For more information about DoD IG reports or activities, please contact us:

Congressional Liaison

congressional@dodig.mil; 703.604.8324

Media Contact

public.affairs@dodig.mil; 703.604.8324

Monthly Update

dodigconnect-request@listserve.com

Reports Mailing List

dodig_report@listserve.com

Twitter

twitter.com/DoD_IG

DoD Hotline

dodig.mil/hotline



DEPARTMENT OF DEFENSE | INSPECTOR GENERAL

4800 Mark Center Drive
Alexandria, VA 22350-1500
www.dodig.mil
Defense Hotline 1.800.424.9098

