



**OFFICE of the
INSPECTOR GENERAL**
U.S. GOVERNMENT PUBLISHING OFFICE

**INSPECTION REPORT
NUMBER 21-03**

**Inspection of Acquisition Services Procedures for
Procuring Supplies and Services**

October 30, 2020

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Date

October 30, 2020

To

Director, U.S. Government Publishing Office

From

Inspector General

Subject:

Final Report— Inspection of the Government Publishing Office's (GPO) Acquisition Services Contracting Procedures for Supplies and Services and their Effectiveness in Preventing Late Penalty Fees, Report No. 21-03

Enclosed is the subject final report. The Office of the Inspector General (OIG) conducted an inspection of GPO's procedures for procuring supplies and services in order to determine their effectiveness in preventing late penalty fees.

We had two findings for GPO, the first concerned late penalty tracking and furnishing required documentation to our office. The second addressed necessary program management improvement areas. As a result, our report contains six recommendations designed to improve GPO's processes.

GPO reviewed the draft report and provided comments through the Director. We included GPO's comments in their entirety in Appendix F. GPO concurred or concurred in part with each recommendation; all of GPO's comments were responsive to the recommendations. As a result of GPO's comments to the draft report, we are able to close recommendation 1. Moreover, we revised recommendation 5 to better accommodate certification timelines outside of GPO's control. We also revised recommendation 6 to provide an alternative action that eliminates the need for a duplicative tracking database.

If you have any questions or comments about this report, please do not hesitate to contact Nathan Deahl, Deputy Inspector General, at ndeahl@gpo.gov or me at mleary@gpo.gov.

A handwritten signature in black ink, appearing to read 'Michael P. Leary'.

MICHAEL P. LEARY
Inspector General

RESULTS IN BRIEF

What We Did

We inspected the U.S. Government Publishing Office's (GPO) Acquisition Services with the intent of answering the following question: Are GPO's procedures for procuring supplies and services contracts effective in preventing late penalty fees?

What We Recommend

Our report contains six recommendations designed to improve GPO's contracting processes. The recommendations focus on statute compliance by providing the OIG with requested documentation; updating policies; improving timeliness by training Acquisition Services personnel the (cradle-to-grave) payment process; ensuring that Acquisition Services personnel are current in their contracting certifications; implementing a tracking system to document certifications and required continuous learning points (CLPs); and improving penalty tracking and reporting.

Inspection of GPO's Acquisition Services Contracting Procedures for Supplies and Services and their Effectiveness in Preventing Late Penalty Fees.

What We Found

Finding 1. GPO's Acquisition Services did not furnish sufficient requested data regarding late penalty fees. As a result, despite receiving instances from other GPO Business Units, we could not determine the scope of penalty fees incurred by the agency. In the examples provided to us we found GPO spent \$9,110.80 in unnecessary penalties. Throughout the inspection, Acquisition Services leadership and personnel asserted that GPO did not incur late penalty fees, since, as a Legislative Branch Agency, GPO is not subject to the Prompt Payment Act of 1982 as amended. We acknowledge GPO's exception from the Prompt Payment Act. However, the exemption has not prevented vendors from charging GPO penalty fees as we learned from examples provided by GPO Business Units. In those four examples, vendors attempted to charge GPO penalties that totaled \$25,827.82. Subsequently GPO voluntarily paid \$9,110.80 of the \$25,827.82 to keep services from ending. In addition, we received an OIG Investigative referral alleging non-payment of services. Because of GPO's conflicting internal positions regarding the requested documentation, we were unable to determine whether additional fees existed or the total scope of penalty fees paid by GPO from October 2018 to September 2019.

Finding 2. GPO's Acquisition Services can improve procedures related to awarding and paying contracts on time. In addition, improved accomplishment and tracking of acquisition-related training is needed. GPO's Acquisition Services can improve guidance; timeliness of contract awards and payments; training and certification of Acquisition Services personnel; and oversight. We saw that the sheer number of policy documents caused confusion for Acquisitions Services personnel. In addition, outdated policies and a lack of sufficient guidance on how to perform purchase requests and award contracts hindered the office's effectiveness and efficiency. A significant percentage of Acquisition Services personnel do not meet agency's acquisition certification and training hour requirements. Only seven of the 16 current Acquisition Services employees we interviewed (45 percent), attested to having their required acquisition certification, and none provided their completion documentation. Moreover, between the years of 2017-2019, 23 of 30 acquisitions personnel (77 percent) did not complete their 40 CLPs of training. The proximate cause of these issues is a need to improve fundamental program management. As a result, GPO risks ineffective and inefficient contracting services.

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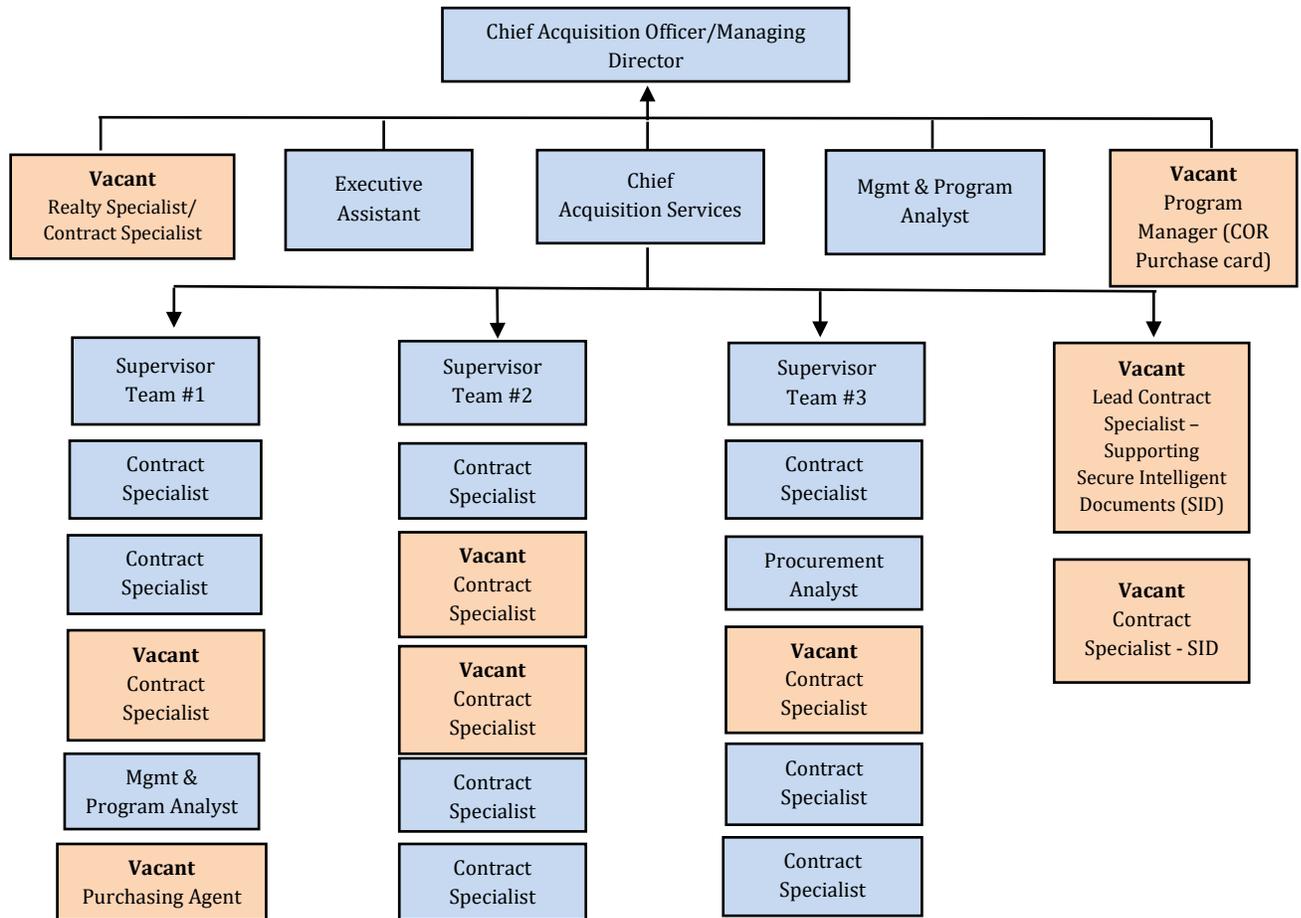
INTRODUCTION

The GPO OIG Inspections Division, assessed Acquisition Services processes for contracting supplies and services in order to assess their effectiveness in preventing late penalty fees levied by vendors. Based on the results, we made six recommendations (see Appendix A). The inspection scope and methodology are presented in Appendix B.

Background

Acquisition Services is responsible for procuring all equipment, materials, supplies, information technology systems, construction, computer equipment, maintenance support, and other services needed by GPO to accomplish the overall mission of the agency. In addition, they manage the purchase and fleet card programs, procurements polices, and the Acquisition Training Certification Program. Acquisition Services also provides authorized support for other Federal agencies, all warehouse and office space leasing, and surplus and scrap item disposal. During the course of the inspection, Acquisition Services was organized as shown in Figure 1.

Figure 1. Acquisition Services Organizational Chart (as of April 2020)



Context of the Inspection.

The GPO OIG initiated this review from its FY 2019 annual work plan. This inspection satisfies the OIG's strategic goal 4, to reduce improper payments and related vulnerabilities by helping GPO managers reduce payment errors, waste, fraud, and abuse in the major GPO programs and operations while continuing to ensure that programs serve and provide access to their intended parties.

We originally intended to start this review in May of 2019 but at the request of the Chief Acquisition Officer, the inspection was delayed until December 2019 (formally announced in November 2019).

The Issue.

The Government Accountability Office's biennial High-Risk Series Report identifies government operations vulnerable to fraud, waste, abuse, and mismanagement, or in need of transformation to address economy, efficiency, or effectiveness challenges. This report describes the status of high-risk areas, outlines actions that are still needed to assure further progress, and identifies two new high-risk areas needing attention by the executive branch and Congress. For 2019, one of the six areas for improvement was managing federal contracting more effectively. While GPO did not make the actual GAO high-risk list, GPO senior management officials approached us to look at contracting as an area for improvement due to concerns they had with late penalty fees and payment delays.

The Prompt Payment Act and Late Penalty Fees Defined.

On May 21, 1982, the Prompt Payment Act was enacted to ensure that the Federal government makes timely payments. The Prompt Payment Act ensures that contractor's invoices are paid within 30-days after receipt and acceptance of material and/or services or after receipt of a proper invoice whichever is later. If the invoice exceeds 30-days without payment, the Government would be obligated to pay interest and additional fees.

On August 26, 1983, the previously named U.S. General Accounting Office's (now the Government Accountability Office (GAO)),¹ Office of General Council determined that GPO is exempt from the Prompt Payment Act. Per GAO, as a Legislative Branch agency, GPO did not meet the "agency" definition of 5 U.S.C. § 551. As a result, GPO does not believe it is obligated under the Act to pay interest or additional fees if payments are not made in a timely manner.

We show later in this report that GPO's position on the Prompt Payment Act has not prevented vendors from billing GPO for late penalty fees. Thus, for this inspection we considered late penalty fees as any additional fee incurred resulting from the inability to

¹ GAO was founded in 1921 as the General Accounting Office; it was renamed the Government Accountability Office in 2004.

pay a vendor the original balance on the established due date(s) based on the terms and conditions of the contract. For example, in some cases we found that vendors issued subsequent invoices (after original invoices went unpaid) that included the original unpaid balance and additional costs. In addition, we treated the following terms as synonymous for the purposes of the inspection and this report: 1) a penalty fee, 2) late fee, 3) late payment fee or expense, or 4) a reinstallation fee.² This definition was shared with GPO Acquisitions Services in order to establish a common understanding for the inspection.

Objective

The overall objective was to assess if GPO's processes for procuring supplies and services contracts are effective in preventing late penalty fees.

Prior Evaluation Coverage

As a new GPO OIG Division, there were no prior Acquisition Services inspections. However, the OIG conducted previous audits of Acquisition Services:

- Audit report 20-01, *Opportunities Are Available to Enhance Management of Purchase Cards*, January 16, 2020. This was a review of purchase card charges allowable under GPO guidelines. Acquisition Services closed the recommendation that approving officials' verify that the purchases, identified as questioned costs, were needed to support GPO's mission.
- Audit report 20-03, *Management Letter - FY 2019 Financial Statements Report*, December 12, 2019. This annual audit reviewed a sample of Acquisition Services contracts. The report identified that Acquisition Services was not consistently following GPO's internal policies and procedures regarding the review and approval of procurements. Of note, the audit recommended that GPO strengthen its internal controls to ensure Contracting Officers are following the policies and procedures in place regarding the timely review and approval of purchases and the maintenance of documentation after the approval of purchase. This is a reoccurring issue that we found in this inspection.

Criteria

We identified the following criteria as the most relevant to this inspection. Additional criteria are available in Appendix E. Criteria relevant to specific findings are included in more detail in that section.

- 5 U.S.C. §551, *Administrative Procedure*.
- Federal Acquisition Regulation (FAR) § 32.907(a), *Late Payment*.

² FAR § 32.907(a), "Late payment," provides more details about late penalty fees.

- Public Law 97-177, *Prompt Payment Act*, May 21, 1982.
- GPO Directive 110.15D, *Contract Review Board (CRB)*, July 17, 2019.
- GPO Directive 805.1F, *Required Approvals of GPO Procurements and Other Actions by the Joint Committee on Printing*, November 16, 2012.
- GPO Instruction 110.5D, *Acquisition Authority, Policies, and Responsibilities*, March 19, 2004.
- GPO Instruction 825.18A, *Internal Control Program*, May 28, 1997.
- GPO Publication 805.33, *Materials Management Acquisition Regulation*, May 15, 2003.
- GPO Notice 305.10, *Procedures for Handling and Evaluating Unsolicited Proposals*, July 22, 2004.
- SOP No. 001, *Internal Control for Contract Review Board process*, June 1, 2016.
- Standard Operating Procedure – 002, *Unauthorized Actions - Ratification and Quantum Meruit Processing*, July 5, 2019.
- SOP No. 003, *Procedures for Vetting Potential Contractors*, June 6, 2018.
- SOP No. 004, *Procedures for Contracting Officer CRB Approval*, January 8, 2019.
- SOP No. 005, *Procedure for Utilizing a PR to create an award in CLM [Contract Lifecycle Management]*, January 23, 2019.
- SOP No. 006, *Procedures for Overtime*, June 1, 2019.
- SOP-007, *File Vault Management*, not dated.

INSPECTION RESULTS

Finding 1. GPO's Acquisition Services did not furnish sufficient requested data regarding late penalty fees. As a result, despite receiving instances from other GPO Business Units, we could not determine the scope of penalty fees incurred by the agency. In the examples provided to us we found GPO spent \$9,110.80 in unnecessary penalties.

Throughout the inspection, Acquisition Services leadership and personnel asserted that GPO did not incur late penalty fees, since, as a Legislative Branch Agency, GPO is not subject to the Prompt Payment Act of 1982 as amended. We acknowledge GPO's position on the Prompt Payment Act. However, their position has not prevented vendors from charging GPO penalty fees as we learned from examples provided by GPO Business Units. In those four examples vendors attempted to charge GPO penalty fees that totaled \$25,827.82. Subsequently, GPO voluntarily paid \$9,110.80 of the \$25,827.82 to keep services from ending. In addition, we received an OIG Investigative referral alleging non-payment of services. Because of GPO's conflicting internal positions regarding the requested documentation, we were unable to determine whether additional fees existed or the total scope of penalty fees paid by GPO from October 2018 to September 2019.

Criteria

- 5 U.S.C § 511, *Administrative Procedure*. Provides the definition of agency as it relates to the GPO's exemption from the Prompt Payment Act.
- FAR § 32.907(a), *Late Payment*. Provides the definition and details regarding late payments specifically regarding interest. In most cases, when an agency pays a vendor late, the agency must pay interest.
- Prompt Payment Act, Public Law 97-177, May 21, 1982. In accordance with the regulations prescribed by the Director of the Office of Management of Budget, each Federal agency which acquires property or services from a business concern but which does not make payment for each such complete delivered item of property or service by the required payment date shall pay an interest penalty to such business concern on the amount of the payment which is due.
- GPO Inspector General Act of 1988, which incorporates sections 4, 5, 6 (other than subsection (a)(7) and (8) thereof) and 7 of the Inspector General Act of 1978, 5 U.S.C. App., as amended (the "IG Act"). The Congress created the GPO OIG to provide policy direction for and to conduct, supervise, and coordinate audits, inspections, and investigations relating to GPO programs and operations. Congress has also mandated that agencies cooperate with OIG activities.

- GPO Publication 805.33, *Materials Management Acquisition Regulation*, May 15, 2003. Provides the policies and procedures necessary to conduct GPO procurements.
- GPO Instruction 110.15D, *Acquisition Authority, Policies, and Responsibilities*, March 19, 2004. Sets forth acquisition policies and the authority and responsibility of the Public Printer, now known as Director of GPO, in making purchases of supplies and services. It also authorizes the Chief Acquisition Officer to prepare and issue such internal procedures as are necessary to implement the instructions and policies contained therein.
- GPO Notice 305.10, *Procedures for Handling and Evaluating Unsolicited Proposals*, July 22, 2004. Establishes a uniform protocol for the receipt, handling, evaluation, and disposition of unsolicited proposals sent to GPO. It also provides guidelines for the preparation of formal unsolicited proposals to those who wish to convey their creative methods or approaches to GPO. These guidelines apply to all unsolicited proposals regardless of the agency program for which they are intended.
- GPO Directive 1215.1A, *Program to Eliminate Fraud, Waste, and Abuse in GPO Programs and Operations*, March 31, 2008. The Inspector General is authorized to investigate, audit, and inspect all matters relating to GPO programs and operations as authorized by applicable law or agency regulations. Therefore, the Inspector General is authorized to have access to all records, reports, audits, reviews, documents, papers, recommendations, or other material relating to GPO programs, activities, and operations.

Requests for Information

The IG Act authorizes OIG personnel to have timely access to all records, documents, and other materials available to GPO unless there is a law specifically limiting the OIG's right to records, documents, or materials.³ Our report discusses our inability to confirm certain data points, like the totality of late penalty fees that GPO may have been assessed. This was due to our dependence on GPO to provide requested data. Below, we detail our requests for information.

- December 12, 2019 Entrance Conference. We held an entrance conference with Acquisition Services and discussed the required documentation and methodology for the inspection, Figure 1. In addition, we explained that for the inspection the following terms are synonymous for the purposes of this report: a penalty fee, late fee, late payment fee or expense.

³ 5 U.S.C. App., § 6(a)(1). There are special procedures to follow if the OIG wants access to Federal grand jury material in GPO's possession.

- December 17, 2019 Supplemental Entrance Conference. We held an entrance conference with Finance and discussed the required documentation and discussed the methodology for the inspection. We were told that GPO's financial system was incapable of automatically pulling late penalties or fees from individual invoices and contracts. Finance officials stated that when GPO pays for late charges or penalties, the amount is added to the total value of the invoice and not separately paid out of a different cost account and thus it is difficult to track.

Figure 1. Entrance Conference Methodology Slide.

Methodology

The focus of this inspection will be on late payments.

- ▶ Review policies, procedures, and instructions.
- ▶ Conduct walkthroughs to gain an understanding of the actual receiving and processing of customer requests for goods and services and when late payments occurred.
- ▶ Interview GPO officials and identify their roles and responsibilities.
- ▶ Identify and analyze internal reviews, audits, monitoring reports, self-assessments or other studies.
- ▶ Identify the late payment fees from October 2018 through September 2019.
- ▶ Compared the total payment fees amount from Fiscal Year 2018 to Fiscal Year 2019. If the late payments fees increased, we will select a sample of late payment fees and evaluate why and which business unit was responsible for the late payment fee.

- December 13, 2019 Data Call. We sent a data call requesting documents by January 15, 2020. Specifically we asked for GPO to identify any and all late payment fees from October 2018 – September 2019. Recognizing that the January 15, 2020, deadline would not be met, the Assistant Inspector General (AIG) for Inspections had a subsequent meeting with Acquisitions Services Leadership (January 28, 2020).
- January 28, 2020 Meeting. We established a new due date for the data call, February 5, 2020. At that time, the Chief Acquisition Officer questioned the need to make employees available for interviews, noting that since GPO was exempt from the Prompt Payment Act, there would be no late penalties and therefore no reason to talk to Acquisition Services staff. After explanation and documentation regarding the authority, nature, and scope of OIG inspection work, we commenced with our interviews.

- January-February 2020 Interviews. We interviewed GPO Acquisition Services personnel, often requesting additional documentation that in many cases was not provided, e.g. training records and contract files. When we learned about the example late fees provided by several Business Units, detailed in the report below, we asked Acquisition Services for all the supporting documentation regarding the relevant contracts. Acquisition Services did not provide the associated contract files stating that they were in hard copy only, and due to COVID-19, could not retrieve them. As a result, on March 25, 2020, we made a subsequent request for outstanding items, through the GPO front office.
- March 25, 2020 Supplemental Data call. We made a final formal request for the outstanding data call items. We received the last requested documentation on April 15, 2020 which included information covering the Business Unit examples below, as well as training and policy documentation. However, we cannot confirm that the information provided represents the totality of the late penalty fees incurred by GPO.

Examples of Late Penalties Assessed to GPO for Untimely Invoice Processing

GPO Business Units provided four instances where vendors charged GPO penalties totaling \$25,827.82. GPO subsequently paid \$9,110.80 of the \$25,827.82 to keep services from ending. In addition, during the course of the inspection, our office received an investigative referral regarding failure to pay an invoice. Below, we detail the examples related to, information technology services, leases, and labor service contracts.

Example 1 and 2. Information Technology Contracts.

In the first example, the vendor attempted to charge GPO an additional \$16,717.02, which ultimately was not paid due to the intervention of the Chief Acquisition Officer; in the second example GPO did pay an additional \$8,720.45 to the vendor.

- Contract GS-35F-0480J (order 040ADV-19-F-8048 and requisition PR-18-GPO-2545). Documentum software support for Federal Digital System from October 1, 2018 to September 30, 2019. According to the Business Unit, the vendor informed GPO that there would be an additional late penalty of \$16,717.02 because the contract was not in place in a timely manner. The information for the purchase request was inputted into Contract Lifecycle Management⁴ (CLM) on August 30, 2018. Acquisition Services did not work on the purchase request until after October 1, 2018, the vendor's deadline. The vendor subsequently contacted GPO to assess a "renewal fee" of ten percent of the contract cost, totaling \$16,717.02. The Chief Acquisition Officer was able to convince the vendor to eliminate the late fee. However, in the end, it took approximately 76 days to award the contract.

⁴ CLM is the Oracle IT system that Acquisition Services uses for procuring supplies and services

- Contract 040ADV-18-A-0035 (order 040ADV-18-A-0035-0028 and requisition PR-19-GPO-0271). A contract for technical support and renewal of VMware software support services (November 3, 2018-November 2, 2019). On October 25, 2018, GPO was notified that the vendor cancelled the VMware support services because GPO did not pay in a timely manner. In order to continue services, GPO needed to pay an outstanding balance of \$41,185.60 and an additional “reinstatement fee” of \$8,720.45, for a total of \$49,906.05.⁵ On December 11, 2018, Acquisition Services started a new CLM purchase request (PR) to renew the contract. The new PR was done since the previous PR exceeded the original value. We concluded that the contract was ultimately awarded on or around December 12, 2018 and GPO paid an additional \$8,720.45. It took approximately 48 days to award the contract. According to the Procurement Action Lead Times,⁶ for a contract modification, the total maximum of days for this contract action should have been between 18 and 23 days.

Example 3 and 4. March and September 2019 Late Fees for San Diego Lease.

Acquisition Services is responsible for preparing and awarding the contract leases for use by GPO employees around the country. Once a lease agreement is complete, Acquisition Services provides the Office of Finance with a copy of the contract including terms and conditions. Then, the GPO Billing Administrator sets up the automated monthly payments for the invoices. In these examples GPO’s San Diego field office lease was not paid on time in March and September 2019 and was not paid in full in September 2019, Table 1.

Table 1. Late Penalty Fees and Payment Shortage

Lease Invoice	Late Fee	Invoice Shortage
March 2019	\$175.16	\$0
September 2019	\$215.19	\$375.02
Sub-Total	\$390.35	\$375.02
Total (Penalty and Shortage)	\$765.37	

On March 12, 2019, the lease vendor e-mailed a Notice of Assessment of Late Charge and Notice to Cure Default to Acquisition Services. It stated that GPO failed to pay the lease amount of \$1,751.64 by March 8, 2019. As a result, a \$175.16 late charge was assessed. On March 21, 2019, the lease vendor e-mailed a subsequent Notice of Intent to Exercise Right to Cease Providing Services and After Hours Default. That notice warned that if GPO did not pay within three days, the vendor would stop providing all ongoing support services under the agreement (facility access, telephone service,

⁵ VMWare charges approximately a 20 percent reinstatement fee on the sum of the 1-year cost of technical support for late payments.

⁶ The Procurement Action Lead Times is a document created by Acquisition Services that provides the time estimates that it should take to process a type of purchase request or contract.

parking cards, and internet service). After two other emailed warnings (March 26 and April 3, 2019), the vendor suspended internet service. Ultimately, on April 8, 2019, the vendor notified GPO that they received payment for March and April and re-activated internet services. A similar situation happened in September 2019 when GPO paid an invoice late and underpaid the balance resulting in a shortage of \$375.02 and an assessed fee of \$215.19.

Acquisition Services and the Office of Finance do not have an automatic payment process in place. The coordination and communication between Acquisition Services (for lease approval) and the Office of Finance (for payment) should be improved as there was no written guidance for this joint process.

OIG Investigative Referral. Labor Service Contract.

In another example, the lack of timeliness resulted in confusion, delay, and an allegation to our office. During the course of this inspection, we received a referral from the OIG Investigations Division regarding nonpayment of a services contract. Acquisition Services has a service contract for six contract specialists. The contractor alleged that on January 2, 2020 they submitted their December 2019 invoice in the amount of \$30,022.49. As of as of May 14, 2020, they had not been paid. Moreover, on April 2, 2020, Acquisition Services forwarded a new Purchase Order (PO) to the vendor in the amount of \$28,358.98, calling it a "new requirement," with a commensurate new period of performance (October 1, 2019-September 30, 2020). Since the original invoice (from December) totaled \$30,022.49, there was a resulting negative difference of (\$1,663.51) on the April 2nd invoice. The vendor reported receiving no explanation for the difference.

Recommendations

For the Director, GPO.

Recommendation 1. In accordance with the referenced criteria, ensure GPO employees cooperate with the GPO OIG by providing all requested documentation in a timely manner.

GPO Comments

The Director concurred with the recommendation. The Director has taken steps to remind all GPO personnel of their obligation to the OIG and his expectation for cooperation.

OIG Response

The Director's concurrence and response are responsive to the recommendation. The subsequent all-hands email on October 15, 2020 reminding the agency to provide full and timely support for all IG requests is sufficient to close this recommendation.

Recommendation 2. Track all late penalty fees incurred by GPO and provide periodic reports for oversight.

GPO Comments

The Director concurred with the recommendation. GPO will look for ways to improve communication between vendors and GPO in order to reduce late payments. GPO committed to improved documentation and tracking of anomalous payments.

OIG Response

The Director's concurrence and response are responsive to the recommendation. In order to close this recommendation, GPO must provide evidence of the proposed improvements to late payment documentation and tracking.

Finding 2. GPO's Acquisition Services can improve procedures related to awarding and paying contracts on time. In addition, improved accomplishment and tracking of acquisition-related training is needed.

GPO's Acquisition Services can improve policy and guidance; timeliness of contract awards and payments; training and certification of Acquisition Services personnel; and oversight. We saw that the sheer number of policy documents caused confusion for Acquisitions Services personnel. In addition, outdated policies and a lack of sufficient guidance on how to perform purchase requests and award contracts hindered the office's effectiveness and efficiency. A significant percentage of Acquisition Services personnel do not meet the agency's acquisition certification and training requirements. Only seven of the 16 Acquisition Services employees we interviewed (45 percent), attested to having their certification and not one provided completion documentation. Moreover, between the years of 2017-2019, 23 of 30 (77 percent), did not complete their 40 CLPs of training. The proximate cause of these issues is a need to improve fundamental program management. As a result, GPO risks ineffective and inefficient contracting services.

Criteria

- GPO Directive 001.1C, *GPO Directives System*, April 5, 2016. States that all active GPO directives shall be reviewed for applicability at least once every two years by the originating office, or more frequently as determined by the originating office.
- GPO Publication 805.33, *Materials Management Acquisition Regulation*, May 15, 2003. Provides the policies and procedures necessary to conduct GPO procurements.
- GPO Instruction 110.15D, *Acquisition Authority, Policies, and Responsibilities*, March 19, 2004. Sets forth acquisition polices and the authority and responsibility of the Public Printer, now known as Director of GPO, in making purchases of supplies and services for the GPO. It also authorizes the Chief Acquisition Officer to prepare and issue such internal procedures as are necessary to implement the instructions and policies contained therein.
- GPO Notice 305.10, *Procedures for Handling and Evaluating Unsolicited Proposals*, July 22, 2004. Establishes a uniform protocol for the receipt, handling, evaluation, and disposition of unsolicited proposals sent to GPO. It also provides guidelines for the preparation of formal unsolicited proposals to those who wish to convey their creative methods or approaches to GPO. These guidelines apply to all unsolicited proposals regardless of the agency program for which they are intended.
- SOP No. 001, *Internal Control for Contract Review Board process*, June 1, 2016. Establishes the policies and procedures for ensuring that contracts/requirements are reviewed by the Contract Review Board.

- SOP No. 003, *Procedures for Vetting Potential Contractors*, June 6, 2018. Establishes procedures for vetting potential contractors doing business with the GPO.
- SOP No. 004, *Procedures for Contracting Officer CRB Approval*, January 8, 2019. This procedure supports and adds clarification to the current procedures in place from GPO Directive 110.15C - *Contract Review Board (CRB)*, which was superseded by GPO Directive 110.15D in 2019.
- SOP No. 005, *Procedure for Utilizing a PR to create an award in CLM [Contract Lifecycle Management]*, January 23, 2019. This procedure provides guidance and directives for properly utilizing a purchase request to obligate funds through the issuance of an award.

Policy and Guidance

Acquisition Services has published numerous criteria, directives, instructions, standard operative procedures, and other guidance to govern contracting and procurement operations. We reviewed a total of 42 of those documents detailing different parts of the work that was performed in Acquisition Services, Table 2.

Table 2. Policy and Guidance

Policy and Guidance Description	Amount
GPO Directives, Instructions, and Notices	7
Internal Standard Operating Procedures	7
Training Presentations	7
Guidance and Templates (Includes Word and Excel Documents)	21
Total	42

Too Many Policies Hinder Clear Guidance

We found it difficult to navigate the numerous policies that govern Acquisition Services. The sheer volume, detailed in Appendix E, hinders clear guidance to GPO employees regarding how contracting services operate. This was the sentiment from those we interviewed both within Acquisition Services and from seven GPO customer organizations (Business Units). As a result, Acquisition Services personnel fail to apply or adhere to policies as evidenced below, Table 3. For example, our interviews with Acquisition Services personnel revealed that many are unaware that there are policies and procedures in place. Personnel aware of policy, do not necessarily follow it.

Table 3. Interview Statements Regarding Policies⁷

Rather than using written procedures, [Acquisition Services employees] ask for help or guidance from other members of the team, relying on co-workers that have been in Acquisition Services longer and know how work gets done.
There are directives, but Acquisition Services does not apply those processes or procedures.
There are a few policies and procedures that exist. However, personnel are unable to access them.
I have not seen any policies and procedures.
When asked if Acquisition Services had Standard Operating Procedures, respondent stated: To the best of my knowledge no. Acquisition Services has templates.
When asked if Acquisition Services had Standard Operating Procedures, respondent stated: There are procedures, but they are not effective and nobody follows them.

In summary, Acquisitions Services does have published policy. However the workforce is either unaware of them or, when they are aware do not follow them. This condition indicates two underlying root causes. First, that written policies are not effectively communicated to the employees and second, that the policies are ineffective as currently written.

Acquisitions Services Policies are Outdated

In addition we found that numerous policies, instructions, regulations, and training manuals were outdated, Table 4. For example, GPO Publication 805.33,⁸ had not been updated since 2003. This publication is considered to be Acquisition Services' main criteria because it details the policies and procedures necessary to efficiently and effectively conduct GPO procurements.

GPO Directive 001.1C, *GPO Directives System*, April 5, 2016, states that all active GPO directives shall be reviewed for applicability at least once every two years by the originating office, or more frequently as determined by the originating office. The Chief Acquisition Officer acknowledged that the Materials Management Acquisition Regulation is outdated and, as a result, stated that the GPO Acquisition Services personnel can and should use the FAR as a best business practice. This, despite the fact that the FAR does not apply to GPO as a Legislative Branch agency.

⁷ OIG Note: Paraphrasing is necessary to protect non-attribution.

⁸ GPO Publication 805.33, *Materials Management Acquisition Regulation*, May 15, 2003.

Table 4. Outdated Criteria

Criteria	Date
GPO Publication 805.33, <i>Materials Management Acquisition Regulation</i>	May 15, 2003
GPO Instruction 110.5D, <i>Acquisition Authority, Policies, and Responsibilities</i>	March 19, 2004
GPO Directive 805.1F, <i>Required Approvals of GPO Procurements and Other Actions by the Joint Committee on Printing</i>	November 16, 2012
GPO Notice 305.10, <i>Procedures for Handling and Evaluating Unsolicited Proposals</i>	July 22, 2004
SOP No. 001, <i>Internal Control for Contract Review Board process</i> ⁹	June 1, 2016
SOP No. 003, <i>Procedures for Vetting Potential Contractors</i>	June 6, 2018

Lack of Purchase Request and Contract Award Guidance

In addition to the policy issues identified, we found that Acquisition Services did not provide sufficient guidance pertaining to reoccurring services and lease contracts, an area where GPO paid penalties as described in Finding 1. This created confusion for Acquisition Services contracting specialists. A manual or a detailed standard operating procedure could help Acquisition Services officials to understand the process, deal with reoccurring services and lease contracts to avoid late penalty fees, and be able to award a contract in a timely matter.

Effect of Policy Issues

Due to the conditions above, Acquisition Services personnel have awarded contracts outside of expected timelines and, in some cases, have paid late penalty fees (see Finding 1).

Acquisition Certification and Training

The majority of Acquisition Services employees do not have the required contracting certifications. We also found that most Acquisition Services personnel did not complete the annual training requirements required by Federal Acquisition Certification and Defense Acquisition Workforce Improvement Act (DAWIA) certification programs.

In 2007 GPO's Acquisition Services adopted the Defense Acquisition University (DAU) and the Federal Acquisition Institute (FAI) Certification Program. This is the same

⁹ GPO Directive 001.1C applies to GPO directives and not necessarily SOPs. However, we assessed that these SOPs need to be updated and included them in this table.

training required for Executive Branch contracting personnel but is not required in Legislative Branch agencies, see Figure 2.

Figure 2. Acquisition Training Program Requirement from GPO Intranet.

ACQUISITIONS TRAINING CERTIFICATION PROGRAM

In 2007, Acquisitions adopted the [Defense Acquisition University / Federal Acquisition Institute](#) certification program. This is a required training program for contract professionals in the Executive Branch. There is no requirement for structured acquisition training within the Legislative Branch.

In this program, acquisition professionals receive acquisition training which is offered online and in the classroom. Upon completion of the various training tracts, acquisition professionals are certified as Level I, II or III contracting officers.

We commend Acquisition Services’ decision to require the above certifications where upon completion, acquisition professionals can be certified as Level I, II, or III contracting officers. However, despite Acquisition Services adoption of the FAI and DAU certifications, the majority of personnel stated that they were not certified. Moreover, we could not confirm whether those who attested to being certified actually were since they did not provide certification documentation. Seven out of 16 (45 percent) of Acquisition Services officials stated they held a certification as shown in Table 5.

Table 5. Acquisition Services Officials Certifications

Acquisition Services Official	Certification
Contract Specialist A	Federal Acquisition Institute Level III
Contract Specialist B	Federal Acquisition Institute Level II DAWIA Level II
Contract Specialist C	Federal Acquisition Certification in Contracting and DAWIA (Contracting Officer Representative level III)
Contract Specialist D	Federal Acquisition Institute Level III
Contract Specialist E	Stated they were certified, but we could not confirm the type or level.
Contract Specialist F	Contract Manager Level III
Contract Officer/Supervisor A	Level III Contracting Officer

Continuing Acquisition or Contracting Training.

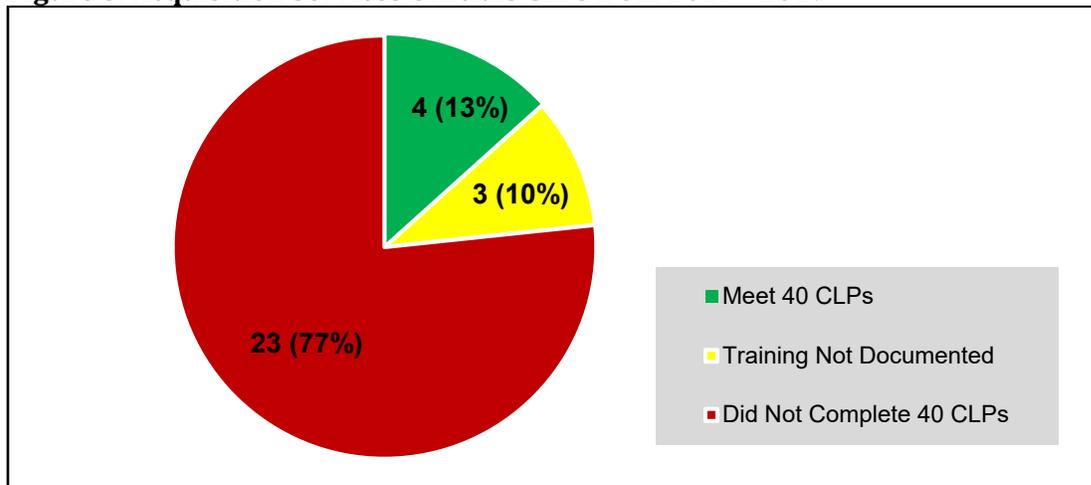
According to one Acquisition Services supervisor, employees involved in the contracting and acquisition process have to complete 40 Continuous Learning Points (CLPs) annually. This is also a requirement for the FAI and DAU certifications. However, the majority of Acquisition Services personnel are not meeting this

requirement. Specifically, we looked at training records for 30 employees from 2017 to 2019 and found that:

- Only four employees met the 40 CLPs of training required (in 2018).
- Three of 30 employees attested to not being trained at all.
- 23 out of 30 employees (77 percent) either did not complete the 40 CLPs (2017-2019) or the information was not available.

Appendix D provides more detailed information regarding CLPs.¹⁰

Figure 3. Acquisition Services Officials CLPs from 2017 - 2019



We also discovered that GPO officials are not tracking training in CLPs; instead, they are tracking training in continuing professional education (CPE).¹¹ Appendix D provides detailed information regarding Acquisition Services officials CPE credits from October 2017 to December 2019. Acquisition Services supervisors and employees are not tracking staff's training records. The lack of required training and inadequate documentation exacerbate the issues we described above with respect to late payment penalties and excessive vendor payment timeframes.

Root Cause: Lack of Program Management Fundamentals

We found that Acquisition Services does not have sufficient program management¹² as evidenced by the policy, certification, and training issues described above. As a result,

¹⁰ Note: 14 out of 30 officials are not currently working in Acquisition Services but were part of the reviewed timeframe.

¹¹ CLPs are another measurement for training hours. Generally ten CLPs translates to one Continuing Education Units or 1.2 CPE. Defense Acquisition Workforce members are required to have 40 CLPs each year or 80 CLPs within two years.

¹² While not addressed in the report, we learned that as of April 2020, one non-supervisory grade 14 and all but one contracting specialists grades 13 and below (9 of 19 personnel) had not signed their FY 2020 performance plans.

Acquisition Service employees report being confused, and in some cases, unaware of how to perform their duties.

Recommendations

For the Director, GPO.

Recommendation 3. Review the totality of Acquisition Services policies and eliminate or revise outdated policies, instructions, regulations, and training manuals; to include the Materials Management Acquisition Regulation. Specifically, the policies and guidance should explain the processes on how to: create purchase requests and provide necessary documentation to a get purchase requests approved; award and execute contracts; and close-out contracts in CLM.

GPO Comments

The Director concurred in part with this recommendation. The comments clarify the role of Acquisition Services and the Business Units with respect to purchase requests. Accordingly, GPO's Acquisition Services will create, maintain, and distribute instructions for Business Units regarding purchase request processing. In addition, Acquisition Services has started to review and update the MMAR. Lastly, GPO acknowledges that more policy work is needed in order to streamline practices.

OIG Response

The Director's partial concurrence and response are responsive to the recommendation. In order to close this recommendation, GPO must provide evidence of the approved instructions, MMAR, and relevant updated policies.

Recommendation 4. Train all Acquisition Services employees on the cradle-to-grave process to make or support making payments within the established contractual due dates, including coordination details with the Office of Finance.

GPO Director's Comments

The Director concurred with this recommendation and stated that the Managing Director of Acquisition Services will conduct training for Acquisition Services personnel on the need to make prompt payments and the proper procedures for doing so, including coordination with the Office of Finance.

OIG Response

The Director's concurrence and response are responsive to the recommendation. In order to close this recommendation, GPO must provide evidence of completed training.

Recommendation 5. Develop a training plan that ensures Acquisition Services employees are either FAI or DAU certified within agreed upon timeframes of GPO's management response.

GPO Comments

The Director concurred in part with this recommendation. GPO's comments clarify intended actions to increase the number of fully certified Acquisition professionals and further explain the required Federal acquisition certification requirements that GPO operates within.

OIG Response

The Director's partial concurrence and response are responsive to the recommendation. As a result of the explanation, we amended this recommendation to comport with the timeframes that management suggests instead of one year from this report's publication. In order to close this recommendation, GPO must provide OIG with their training plan and evidence of subsequently earned certifications.

Recommendation 6. Implement a tracking system to document all Acquisition Services employee FAI or DAU certifications and required CLPs. Alternatively GPO can provide evidence of the use of the Federal Acquisition Institute Training Application System (FAITAS).

GPO Comments

The Director concurred in part with this recommendation. GPO's comments clarify that the official tracking system used by GPO is the Federal Acquisition Institute Training Application System (FAITAS). Moreover GPO will accept the recommendation and establish a separate Agency database to provide a duplicate record of Acquisition training and certification levels.

OIG Response

The Director's partial concurrence and response are responsive to the recommendation. As a result of the explanation we amended this recommendation to add an alternative for closure. It is not the intent of the OIG to overly complicate or duplicate existing efforts that work. In order to close this recommendation, GPO can provide the OIG with evidence of the consistent use of FAITAS to track relevant training as an alternative to establishing a separate Agency database.

Appendix A. Table of Recommendations and Benefits

Recommendation	Management Response	Status	Description of Benefits
For the Director, GPO			
1. In accordance with the referenced criteria, ensure GPO employees cooperate with the GPO OIG by providing all requested documentation in a timely manner.	The Director concurred and has taken steps to remind all GPO personnel of their obligation to the IG and his expectation for cooperation.	Closed	Nonmonetary – Enhance compliance with laws, regulations, and standards. <i>Providing all documentation requested to the OIG during inspections will avoid violations of IG –related statutes, and GPO Directive 1215.1A.</i>
2. Track late penalty fees and provide periodic reports to the Director of GPO for oversight.	The Director concurred with the recommendation. GPO will look for ways to improve communication between vendors and GPO in order to reduce late payments.	Open	Nonmonetary – Enhance management controls <i>Create a tracking system will establish the controls that show whether GPO is paying for late penalties.</i>
3. Review the totality of Acquisition Services policies and eliminate or revise outdated policies, instructions, regulations, and training manuals; to include the Materials Management Regulation. Specifically, the policies and guidance should explain the processes on how to: create purchase requests and provide necessary documentation to a get purchase requests approved; award and execute contracts; and close-out contracts in CLM.	The Director concurred in part with this recommendation. GPO’s Acquisition Services will create, maintain, and distribute instructions for Business Units regarding purchase request processing. In addition, Acquisition Services has started to review and update the MMAR. Lastly, GPO acknowledges that more policy work is needed in order to streamline practices.	Open	Nonmonetary – Improve program results <i>An overarching policy document will provide clearer lines of responsibility, duties, and promote more timely and accurate effective contracting and acquisition actions.</i>
4. Train all Acquisition Services employees on the cradle-to-grave process to make or support making payments within the established contractual due dates, including coordination details with the Office of Finance.	The Director concurred with this recommendation and stated that the Managing Director of Acquisition Services will conduct training for Acquisition Services personnel on the need to make prompt payments and the proper procedures for doing so, including coordination with the Office of Finance.	Open	Nonmonetary – Enhance compliance with laws, regulations, and standards. <i>A policy directed to Acquisition Services will help reduce recurring late penalty fees for contracts.</i>

Recommendation	Management Response	Status	Description of Benefits
<p>5. Develop a training plan that ensures Acquisition Services employees are either FAI or DAU certified within agreed upon timeframes of GPO's management response.</p>	<p>The Director concurred in part with this recommendation. GPO's comments clarify intended actions to increase the number of fully certified Acquisition professionals and further explain the required Federal acquisition certification requirements that GPO operates within.</p>	Open	<p>Nonmonetary – Improve program results.</p> <p><i>Establish education and training standards and courses necessary required to be FAI or DAU certified while establish a schedule for the training courses to be provided.</i></p>
<p>6. Implement a tracking system to document all Acquisition Services employee FAI or DAU certifications and required CLPs. Alternatively GPO can provide evidence of the use of the Federal Acquisition Institute Training Application System (FAITAS).</p>	<p>The Director concurred in part with this recommendation. GPO's comments clarify that the official tracking system used by GPO is the Federal Acquisition Institute Training Application System (FAITAS). Moreover GPO will accept the recommendation and establish a separate Agency database to provide a duplicate record of Acquisition training and certification levels.</p>	Open	<p>Nonmonetary – Enhance management controls.</p> <p><i>Track and verify Acquisition Service's employee certification and training. .</i></p>

Appendix B. Scope and Methodology

SCOPE

We performed this inspection of Acquisition Services to determine whether their procedures were effective in preventing late penalty fees. As part of the review, we evaluated all acquisition organization roles and activities associated with the execution of GPO's Acquisition Services Business Unit. Our review covered procedures, training, and other data from 2017-2019. We focused our late fee data requests for 2018-2019.

METHODOLOGY

- Reviewed GPO directives, requirements, standard operating procedures, and guidance.
- Reviewed previous OIG reports.
- Reviewed Acquisition Services processes for completing purchase requests, awarding contracts, and making services payments.
- Reviewed late penalty fees for GPO information technology service contracts and GPO lease agreements/contracts.
- Reviewed a referral received from the GPO OIG Investigations Division.
- Reviewed documentation and communications from the Business Units to Acquisition Services.
- Reviewed training documentation and reports.
- Conducted a walkthrough of the Contract Lifecycle Management System.
- Interviewed GPO personnel.
- This inspection was conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency (CIGIE), *Quality Standards for Inspection and Evaluation*, January 2012 (*Blue Book*).

Appendix C. Abbreviations

CEU	Continuing Education Unit
CLM	Contract Lifecycle Management
CLP	Continuous Learning Point
COVID-19	Corona Virus Disease 2019
CPE	Continuing Professional Education
CRB	Contract Review Board
DAU	Defense Acquisition University
DAWIA	Defense Acquisition Workforce Improvement Act
FAC-C	Federal Acquisition Certification in Contracting
FAI	Federal Acquisition Institute
FAITAS	Federal Acquisition Institute Training Application System
FAR	Federal Acquisition Regulation
GAO	Government Accountability Office
MMAR	Materials Management Acquisition Regulation
OFPP	Office of Federal Procurement Policy
OIG	Office of the Inspector General
PO	Purchase Order
PR	Purchase Request
PST	Program, Strategy, and Technology

Appendix D. Acquisition Services Officials Training

Acquisition Services personnel involved in the contracting and acquisition process have to complete 40 CLPs annually. Below is the training information provided in CPE credits reported from October 1, 2017 to November 10, 2019. One CLP = 1.2 CPEs; thus Acquisition Service officials would need to obtain 48 CPEs to meet the 40 CLP requirement.

Acquisition Services Officials	Course Title	Start Date	CPEs	Total CPEs	Met, Did Not Meet CLP Requirement, or Did Not Provide Information
1. Acquisition Services Senior Management Official A	03.04.19 - Agile Training	4-Mar-19	24	64	Met
	Contracting 244	26-Nov-18	40		
	NASA SWEP Training	Not Available	Not Available		
	Business Decision for Contracting	15-Jun-19	Not Available		
2. Acquisition Services Senior Management Official B	Did Not Provide Information	Did Not Provide Information	Did Not Provide Information	0	Did Not Provide Information
3. Management and Program Analyst	Business Decision for Contracting	15-Jun-19	Not Available	0	Did Not Meet
	GSA SmartPay3 Training	6-Aug-18	Not Available		
4. Contracting Officer/Supervisor A	03.04.19 - Agile Training	4-Mar-19	24	69	Met
	SEWP GWAC Training	3-Apr-19	4		
	08.20.19 - Amazon For Purchase Card Users	20-Aug-19	1		
	Contracting 244	26-Nov-18	40		
	Whistleblower Course	4-Dec-19	Not Available		

Acquisition Services Officials	Course Title	Class Start Date	CPE	Total CPEs	Met, Did Not Meet CLP Requirement, or Did Not Provide Information
5. Contracting Officer/Supervisor B	03.04.19 - Agile	4-Mar-19	24	24	Did Not Meet
	Business Decision for Contracting	15-Jun-19	Not Available		
	NASA SWEP Training	Not Available	Not Available		
	Simplified Acquisition Procedures	27-Jun-18	Not Available		
	Whistleblower Course	4-Dec-19	Not Available		
6. Contracting Officer/Supervisor C	Business Decision for Contracting	15-Jun-19	Not Available	0	Did Not Meet
	Simplified Acquisition Procedures	27-Jun-18	Not Available		
	NASA SWEP Training	Not Available	Not Available		
	Whistleblower Course	29- Nov-19	Not Available		
7. Contracting Specialist A	03.04.19 - Agile Training	4-Mar-19	24	24	Did Not Meet
	Business Decision for Contracting	15-Jun-19	Not Available		
8. Contracting Specialist B	08.20.19 - Amazon For Purchase Card Users	20-Aug-19	1	3	Did Not Meet
	Purchase Card Rollout	19-Nov-18	1		
	Purchase Card Rollout	20-Feb-19	1		
	Business Decision for Contracting	15-Jun-19	Not Available		
	Simplified Acquisition Procedures	27-Jun-18	Not Available		
	NASA SWEP Training	Not Available	Not Available		

Acquisition Services Officials	Course Title	Class Start Date	CPE	Total CPEs	Met, Did Not Meet CLP Requirement, or Did Not Provide Information
9. Contracting Specialist C	03.04.19 - Agile Training	4-Mar-19	24	65	Met
	Contracting 244	26-Nov-18	40		
	Purchase Card Rollout	19-Nov-18	1		
	Simplified Acquisition Procedures	27-Jun-18	Not Available		
	Business Decision for Contracting	15-Jun-19	Not Available		
10. Contracting Specialist D	SP3 Purchase Card Rollout	19-Nov-18	1	1	Did Not Meet
	NASA SWEPT Training	Not Available	Not Available		
	Business Decision for Contracting	15-Jun-19	Not Available		
11. Contracting Specialist E	08.20.19 - Amazon For Purchase Card Users	20-Aug-19	1	2	Did Not Meet
	Purchase Card Rollout	19-Nov-18	1		
	GSA SmartPay3 Training	6-Aug-18	Not Available		
	NASA SWEPT Training	Not Available	Not Available		
	Business Decision for Contracting	15-Jun-19	Not Available		
12. Contracting Specialist F	03.04.19 - Agile Training	4-Mar-19	24	64	Met
	Contracting 244	26-Nov-18	40		
	Business Decision for Contracting	15-Jun-19	Not Available		
	NASA SWEPT Training	Not Available	Not Available		
	Simplified Acquisition Procedures	27-Jun-18	Not Available		

Acquisition Services Officials	Course Title	Class Start Date	CPE	Total CPEs	Met, Did Not Meet CLP Requirement, or Did Not Provide Information
13. Contracting Specialist G	03.04.19 - Agile Training	4-Mar-19	24	24	Did Not Meet
	NASA SWEPT Training	Not Available	Not Available		
	Business Decision for Contracting	15-Jun-19	Not Available		
14. Contracting Specialist H	Business Decision for Contracting	15-Jun-19	Not Available	0	Did Not Meet
15. Contracting Specialist I	Business Decision for Contracting	15-Jun-19	Not Available	0	Did Not Meet
	Simplified Acquisition Procedures	27-Jun-18	Not Available		
16. Contracting Specialist J	Business Decision for Contracting	15-Jun-19	Not Available	0	Did Not Meet
	NASA SWEPT Training	Not Available	Not Available	0	
17. Contracting Specialist K	Business Decision for Contracting	15-Jun-19	Not Available	0	Did Not Meet
18. Contracting Specialist L	Simplified Acquisition Procedures	27-Jun-18	Not Available	0	Did Not Meet
19. Contracting Specialist M	Simplified Acquisition Procedures	27-Jun-18	Not Available	0	Did Not Meet
20. Contracting Specialist N	Did Not Provide Information	Did Not Provide Information	Did Not Provide Information	0	Did Not Provide Information
21. Contracting Specialist O	Did Not Provide Information	Did Not Provide Information	Did Not Provide Information	0	Did Not Provide Information
22. Contracting Specialist P	NASA SWEPT Training	Not Available	Not Available	0	Did Not Meet
23. Contracting Specialist Q	NASA SWEPT Training	Not Available	Not Available	0	Did Not Meet
24. Contracting Specialist R	NASA SWEPT Training	Not Available	Not Available	0	Did Not Meet
25. Contracting Specialist S	NASA SWEPT Training	Not Available	Not Available	0	Did Not Meet

Acquisition Services Officials	Course Title	Class Start Date	CPE	Total CPEs	Met, Did Not Meet CLP Requirement, or Did Not Provide Information
26. Contracting Specialist T	NASA SWEPE Training	Not Available	Not Available	0	Did Not Meet
27. Contracting Specialist U	NASA SWEPE Training	Not Available	Not Available	0	Did Not Meet
28. Contracting Specialist W	NASA SWEPE Training	Not Available	Not Available	0	Did Not Meet
29. Contracting Specialist X	NASA SWEPE Training	Not Available	Not Available	0	Did Not Meet
30. Contracting Specialist Y	NASA SWEPE Training	Not Available	Not Available	0	Did Not Meet

Appendix E. Acquisition Services Policies

We reviewed the below documents detailing different parts of the work that is performed in Acquisition Services.

Policy Number	Policy Title	Date Issued
GPO Directives, Instructions, Policies, and Notice		
1. GPO Directive 110.15D	<i>Contract Review Board (CRB)</i>	July 17, 2019
2. GPO Directive 110.15C	<i>U.S. Government Printing Office (GPO) Contract Review Board (CRB)</i>	March 29, 2010
3. GPO Directive 805.1F	<i>Required Approvals of GPO Procurements and Other Actions by the Joint Committee on Printing</i>	November 16, 2012
4. GPO Instruction 110.5D	<i>Acquisition Authority, Policies, and Responsibilities</i>	March 19, 2004.
5. GPO Instruction 825.18A	<i>Internal Control Program</i>	May 28, 1997
6. GPO Publication 805.33	<i>Materials Management Acquisition Regulation</i>	May 15, 2003.
7. GPO Notice 305.10	<i>Procedures for Handling and Evaluating Unsolicited Proposals</i>	July 22, 2004
Acquisition Services Internal Standard Operating Procedures		
8. SOP No. 001	<i>Internal Control for Contract Review Board process</i>	June 1, 2016.
9. Standard Operating Procedure – 002	<i>Unauthorized Actions - Ratification and Quantum Meruit Processing</i>	July 5, 2019
10. SOP No. 003	<i>Procedures for Vetting Potential Contractors</i>	June 6, 2018
11. SOP No. 004	<i>Procedures for Contracting Officer CRB Approval</i>	January 8, 2019.
12. SOP No. 005	<i>Procedures for Utilizing a PR to create an award in CLM [Contract Lifecycle Management]</i>	January 23, 2019
13. SOP No. 006	<i>Procedures for Overtime</i>	June 1, 2019
14. SOP-007	<i>File Vault Management</i>	Not Dated
Training Presentations		
15. No Number	<i>Acquisition Strategy Training</i>	July 14, 2016
16. No Number	<i>Government Contract File Training</i>	April 5, 2016
17. No Number	<i>Acquisition Strategy Training</i>	October 12, 2016
18. No Number	<i>Source Selection Procedures</i>	July 20, 2017
19. No Number	<i>Post Award Debriefing</i>	October 9, 2014
20. No Number	<i>Post-Award Debriefing</i>	October 9, 2014
21. No Number	<i>Acquisition Strategy Training</i>	January 5, 2017
Guidance and Templates		
22. No Number	<i>Acquisition Package Requirements</i>	No Date
23. No Number	<i>Business Unit Acquisition Checklist (Services)</i>	No Date
24. No Number	<i>Business Unit Acquisition Checklist (Supplies)</i>	No Date

Policy Number	Policy Title	Date Issued
25. No Number	<i>Draft Directive Federal Acquisition Certification for Acquisition Services Contracting Officer Representative (FAC-COR) Program</i>	No Date
26. No Number	<i>Market Research Report Template</i>	No Date
27. No Number	<i>Source Selection Plan for Solicitation Template</i>	No Date
28. No Number	<i>Acquisition Planning Milestone Agreement Template</i>	No Date
29. No Number	<i>Contract File Index</i>	March 22, 2016
30. No Number	<i>Service Acquisition Strategy Form</i>	No Date
31. No Number	<i>Internal Control File FY 2016 Review Checklist</i>	No Date
32. No Number	<i>Exception to Policy: GPO Directive 110.15C Dated 03/23/10</i>	December 18, 2017
33. No Number	<i>Acquisition Services Team Routing and Transmittal Slip</i>	No Date
34. No Number	<i>Post Award Conference Record</i>	No Date
35. No Number	<i>Headquarters Army Materiel Command, Contracting Support Element Guide Book 12-01, Independent Government Estimate Preparation Instructions</i>	August 2012
36. No Number	<i>Contract File Index Template</i>	No Date
37. No Number	<i>CLM Guidance Create a Solicitation Using Document Builder (with Purchase Request Number)</i>	December 12, 2017
38. No Number	<i>CLM Guidance Create a Solicitation Using Document Builder (with No Purchase Request Number)</i>	December 15, 2017
39. No Number	<i>CLM Guidance Creating a Standalone Award using the Awards page</i>	December 15, 2017
40. No Number	<i>CLM Guidance Exercising an Option using an Award Modification</i>	December 15, 2017
41. No Number	<i>CLM Guidance Finalize Award & Submit for Approval</i>	December 12, 2017
42. No Number	<i>CLM Guidance Creating a Draft Stand-Alone Award Using Document Builder</i>	December 20, 2017

Appendix F. Management Comments

HUGH NATHANIAL HALPERN
Director

GPO

MEMORANDUM

Date: October 26, 2020
To: Inspector General
Subject: Management Response to Draft Report on the Inspection of Acquisition Services Procedures for Procuring Supplies and Services, Project Number A-19-010

As an initial matter, on behalf of the entire GPO team, I apologize for the failure to provide all requested documentation and to fully cooperate with the Inspector General's (IG's) requests. While we may sometimes disagree with particular findings or recommendations, full cooperation with audits, inspections, and investigations of the IG are required by law and GPO's own directives, and it's clear that we did not live up to those standards in this inspection. As described below, I have taken steps to remind all GPO personnel of their obligations to the IG and my expectations for cooperation.

RECOMMENDATION 1

In accordance with the referenced criteria, ensure GPO employees cooperate with the GPO OIG by providing all requested documentation in a timely manner.

GPO concurs in this recommendation.

As mentioned initially, failure to assist the IG in its activities does not meet the standards set forth in law or in GPO's own directives. Similarly, it fails to meet my own expectations for everyone who works at GPO. As I've said on numerous occasions, I believe that the activities of the IG give GPO an opportunity to see its activities from a different viewpoint and the recommendations and observations of the IG can provide important guidance on improving operations at GPO.

Upon reviewing the draft report, on October 6, 2020, I reminded GPO's executive team of my expectation that each of them was to provide full and timely support for all IG requests. In my all-hands email for October 15, 2020, I also reminded all GPO personnel of the need to cooperate with IG activities, and my expectation that full and prompt cooperation was to be the default response to any IG request. I also directed all GPO teammates to speak with their supervisor or the Office of General Counsel if there were any issues in responding to an IG request.

In reviewing this situation, it became clear that GPO cannot locate the documents that were responsive to the IG's request. This is a pre-existing weakness and we apparently failed to communicate that problem to the IG personnel conducting the inspection. To address the weakness, in 2019 the Chief Acquisition Officer established procedures to have files checked in and out of the file vault and to limit access to the vault to only four individuals. Additionally, Acquisition Services has requested FY 21 funding to acquire an electronic data management system for file storage. The proposed system will be fully

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searchable and will provide an audit trail of all activities. Upon implementation of this system, acquisition files will be stored electronically, providing safeguards against the problem of missing physical files in the future.

RECOMMENDATION 2

Track all late penalty fees incurred by GPO and provide periodic reports for oversight.

GPO concurs in this recommendation.

Throughout the discussions between the IG and Acquisition Services, GPO highlighted that the agency was not subject to the Prompt Payment Act, (31 U.S.C. 3901 et seq.) However, we recognize that prompt payment of vendors is critical for acquiring the quality goods and services that GPO needs to perform its functions for its customers. We acknowledge there are clearly cases where some vendors were not paid promptly for a variety of reasons.

While we recognize there was some disagreement between agency and IG personnel as to whether the payments found in the inspection qualified as “late fees” or other penalties, we acknowledge there are and will always be payments that admittedly qualify as anomalous because they deviate from agency procedures and practice.

Going forward, GPO will look for ways to break down silos and improve communication between vendors and GPO, as well as internally between business units, to reduce late payments.

GPO will also improve the documentation and tracking of those kinds of anomalous payments to improve the transparency of its operations.

RECOMMENDATION 3

Review the totality of Acquisition Services policies and eliminate or revise outdated policies, instructions, regulations, and training manuals; to include the Materials Management Acquisition Regulation. Specifically, the policies and guidance should explain the processes on how to: create purchase requests and provide necessary documentation to a get purchase requests approved; award and execute contracts; and close-out contracts in CLM.

GPO concurs in this recommendation in part.

The report makes this recommendation as a result of its finding regarding program management and training of Acquisition Services personnel. Implied in the recommendation is that Acquisition Services is the entity that creates purchase requests. However, purchase requests are created by the business units themselves. In response to this recommendation, Acquisition Services will create, maintain, and distribute instructions for business unit personnel regarding the creation of purchase requests and the accompanying materials required for approval of those requests.

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Acquisition Services has also started a review of the current edition of the MMAR with the intent of releasing chapters as they are updated. Acquisition Services is prioritizing chapters for updating based on use and changes in law, practice, and regulation since the chapter was initially written.

Lastly, GPO acknowledges that other directives, policies, and practices may have developed in ways that are confusing or may conflict. Acquisition Services will begin to identify those directives and policies in an effort to streamline practices and make them more accessible to Acquisition Services personnel.

RECOMMENDATION 4

Train all Acquisition Services employees on the cradle-to-grave process to make or support making payments within the established contractual due dates, including coordination details with the Office of Finance.

GPO concurs in this recommendation.

The Managing Director of Acquisition Services will conduct training for Acquisition Services personnel on the need to make prompt payments and the proper procedures for doing so, including coordination with the Office of Finance. Those training opportunities and materials will also be made available to the relevant Office of Finance personnel.

RECOMMENDATION 5

Develop a training plan that ensures Acquisition Services employees are either FAI or DAU certified within one year of the final report.

GPO concurs in this recommendation in part.

In an effort to increase the number of fully certified Acquisition professionals at GPO, we will update the FY 21 performance plans for Contract Specialists (1102 series) to require progress toward certification. Grades 12-13 employees are encouraged to be level II certified and employees grade 14 and above are encouraged to be level III certified. All Contracting Officers holding warrants are required to be certified commensurate with their grade. Since the time required to attain each level of certification is one year or more, and the certification levels are cumulative, all Contract Specialists (1102) will be required to achieve a minimum of level I certification by the end of FY 21. In addition, all vacancy announcements for Contract Specialist (1102) will require the applicant to possess either FAC-C or DAWIA certification, or be able to obtain it within 24 months of the date of hire.

Also implied in this recommendation and the report is that we have personnel who are required to be certified who are not. Although we are encouraging acquisition certification for all Contract Specialists (1102), it is only required for warranted contracting officers. OFPP Policy Letter 05-01 states in relevant part:

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Federal acquisition certifications shall be offered to, *though not necessarily required of*, the general acquisition workforce as defined in this Letter and further identified by agency CAOs. However, agencies may specify a particular type and/or level of certification when establishing quality ranking factors when it is determined that the certification is job related. [emphasis added.]

Thus, compliance with this recommendation will be above the general requirements for these contracting personnel.

RECOMMENDATION 6

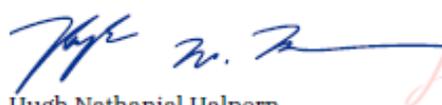
Implement a tracking system to document all Acquisition Services employee FAI or DAU certifications and required CLPs.

GPO concurs in this recommendation in part.

According to Office of Federal Procurement Policy (OFPP) Policy Letter 05-01, the official tracking system for Acquisition certification and training is the FAITAS database. Although Acquisition professionals are not required to be certified, GPO requires that they register in FAITAS and track all training through that system.

Although FAITAS provides supervisors with notifications when Acquisition Services personnel complete training or need to complete training to maintain their certification, GPO will accept the recommendation and establish a separate Agency database to provide a duplicate record of Acquisition training and certification levels. This database will hopefully provide the level of transparency recommended by the IG.

If you have further questions about this matter, please contact Mr. Ric Davis, Acting Chief of Staff, at rdavis@gpo.gov, if there are any questions regarding this information.



Digitally signed by Hugh N Halpern

Date: 2020.10.26 16:02:37 -04'00'

Hugh Nathaniel Halpern
Director, U.S. Government Publishing Office

cc:
Deputy Director
Acting Chief of Staff

Appendix G. Report Distribution

Director

Deputy Director

Acting Chief Administrative Officer

Acting Chief of Staff

Chief Acquisition Officer