



Office of Audits  
Office of Inspector General  
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# Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight

Report Number A230032/P/2/R24004  
May 3, 2024

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## ***Executive Summary***

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### **Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight**

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#### **Why We Performed This Audit**

During Fiscal Year 2022, our office received complaints alleging deficiencies in the performance of operations and maintenance (O&M) contractors responsible for GSA-owned buildings in New York, New York; and Boston, Massachusetts. Additionally, prior audit reports issued by our office have identified deficiencies in the GSA Public Buildings Service's (PBS's) oversight of O&M contractors. Because O&M contractors play a critical role in the day-to-day operations of GSA-owned buildings, deficiencies in their performance can lead to the failure of building systems and equipment, as well as the deterioration of a building's condition. Accordingly, we included this audit in our *Fiscal Year 2023 Audit Plan*. Our audit objective was to determine whether O&M contractors are complying with the terms and conditions of their GSA contracts.

#### **What We Found**

O&M contractors did not consistently comply with the terms and conditions of their GSA contracts. We found that O&M contractors did not complete all work orders for service requests and preventive maintenance. In some cases, O&M contractors marked work orders as complete even though the work was not actually completed. O&M contractors also did not complete work orders timely.

These deficiencies occurred for a variety of reasons that are attributable to both the O&M contractors and PBS. We found that O&M contractors are not always providing sufficient staff to meet their contract requirements, are struggling to hire and retain key personnel, and are not effectively monitoring their contract performance. We also found that O&M contractors and PBS are misinterpreting the time frames in O&M contracts for completing work orders for routine service requests and that PBS does not always provide effective oversight of the O&M contractors' performance.

#### **What We Recommend**

We recommend that the PBS Commissioner ensure that PBS contracting officials:

1. Emphasize the evaluation of O&M contractors' proposed staffing and communicate with onsite PBS staff prior to contract award to ensure contract terms and conditions can be fully met.

2. Confirm and enforce O&M contractor compliance with contractual requirements governing:
  - a. “Personnel” and “Contractor Key Personnel”; and
  - b. Contingency plans for “Loss of the Contractor’s onsite personnel.”
3. Ensure that the O&M contract language clearly specifies the time requirements for routine service request completion and that the requirements are communicated to O&M contractors.
4. Thoroughly review and understand the O&M contracts’ quality control plan inspection requirements.
5. Improve oversight of O&M contractors’ compliance with the terms and conditions of their GSA contracts.

The PBS Commissioner agreed with the report recommendations. PBS’s response can be found in its entirety in **Appendix F**.

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## **Introduction**

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We performed an audit of operations and maintenance (O&M) contractors' compliance with the terms and conditions of their GSA contracts.

### **Purpose**

During Fiscal Year 2022, our office received complaints alleging deficiencies in the performance of O&M contractors responsible for GSA-owned buildings in New York, New York; and Boston, Massachusetts. Additionally, prior audit reports issued by our office have identified deficiencies in the GSA Public Buildings Service's (PBS's) oversight of O&M contractors. Because O&M contractors play a critical role in the day-to-day operations of GSA-owned buildings, deficiencies in their performance can lead to the failure of building systems and equipment, as well as the deterioration of a building's condition. Accordingly, we included this audit in our *Fiscal Year 2023 Audit Plan*.

### **Objective**

Our audit objective was to determine whether O&M contractors are complying with the terms and conditions of their GSA contracts.

See **Appendix A** – Objective, Scope, and Methodology for additional details.

### **Background**

PBS is responsible for managing GSA-owned buildings nationwide and providing suitable conditions for building tenants. This responsibility includes the O&M of federally owned buildings. To satisfy this responsibility, PBS awards contracts to businesses that specialize in building O&M. PBS issues a solicitation that outlines all the necessary requirements to operate and maintain a federal building or buildings. Contractors then propose staffing levels they think are adequate and appropriate to satisfy those requirements. This also includes designation of key personnel; specifically, the project manager or chief engineer. These positions act as onsite supervision and are considered essential to the work performed under the contract. O&M contracts also require the contractor to have a contingency plan for the loss of onsite personnel caused by, among other things, strikes, walkouts, injuries, or abrupt resignations.

During Fiscal Year 2023, PBS spent approximately \$1.15 billion on 340 O&M contracts nationwide. O&M contracts often are awarded to one contractor for multiple buildings. O&M contracts specify that the contractors are responsible for the efficient, effective, economical, and satisfactory O&M of the building or buildings covered under their contracts. For example, services covered under these contracts include, but are not limited to, scheduled and unscheduled maintenance and repair of the following:

- Electrical systems and equipment;
- Mechanical equipment;
- Plumbing;
- Heating, ventilation, and air conditioning systems; and
- Fire protection and life safety systems and equipment.

O&M contractors are typically responsible for all management, supervision, labor, materials, equipment, and supplies to provide those services.

### Work Orders

PBS and the O&M contractor track contract services through “work orders” in PBS’s National Computerized Maintenance Management System (NCMMS). NCMMS is a database and application software package that automates the operations, maintenance, and repairs recordkeeping requirements. Work orders are typically triggered by service requests and preventive maintenance.

**Service requests.** GSA, a building tenant, or the O&M contractor can issue a service request. A request is generally based on an observation that some building equipment, system, or material covered by the O&M contract is inoperable, malfunctioning, deteriorated, or not within normal operating parameters. A request may also be issued if the contract’s performance standard is not being met. These requests are typically assigned a priority level and must be completed within the time frame specified in the contract.

O&M contracts specify that the contractor shall respond to service requests, initiate corrective actions, and identify any repair requirements. There are three types of service requests:

- **Emergency Service Request** – Emergency work orders and callback responses request services to correct failures that constitute an immediate danger to personnel or property. Examples of these service requests include broken water pipes, stalled elevators with trapped passengers, electrical power outages, electrical problems that may cause fire or shock, gas or oil leaks, major air conditioning or heating problems, or any services considered an emergency by the contracting officer or designee.
- **Urgent Service Request** – Urgent work orders request services to correct failures that interrupt or otherwise adversely affect either GSA or building tenant operations. Examples of these service requests include inoperative electrical circuits, extreme temperature complaints, inoperative lighting above a workstation, any equipment malfunctions that affect the tenant’s operations, or any services considered urgent by the contracting officer or their designee.

- **Routine Service Request** – Routine work orders request services that do not interrupt or otherwise adversely affect GSA or building tenant operations. Examples of these service requests include replacing light fixtures, fixing leaking valves, and clearing clogged roof drains.

**Preventive maintenance.** Preventive maintenance is a program of scheduled maintenance activities that are performed based on a fixed schedule or on equipment run times. Preventive maintenance helps preserve building assets and extend their useful lives. O&M contracts require contractors to establish an effective plan for scheduling and performing preventive maintenance on all building equipment and systems covered under the contract. The preventive maintenance plan is entered into NCMMS, which will automatically generate a work order in the month prior to when the maintenance is scheduled for completion. As part of the preventive maintenance plan, contractors must submit and adhere to certain maintenance standards. These standards are typically based on a combination of equipment manufacturers' recommendations and the PBS *Public Buildings Maintenance Standards*. O&M contractors are required to complete the preventive maintenance in the month it is scheduled.

### Contractor and PBS Oversight

O&M contracts require each contractor to develop and implement a quality control plan (QCP) to help ensure its compliance with the terms and conditions of its GSA contract. The QCP is the O&M contractor's complete written system for identifying and correcting deficiencies and monitoring and improving efficiencies to continually improve the quality of services it provides. The O&M contractor is responsible for preparing its QCP and completing quality control inspections as specified in its O&M contract. Based on the QCP, the O&M contractor completes quality control inspections each month by reviewing a sample of completed work orders to ensure compliance with the terms and conditions of its GSA contract.

Additional oversight is provided by the PBS contracting officer's representative (COR), who is responsible for monitoring, assessing, recording, and reporting on a contractor's performance. The COR periodically validates the execution of an O&M contractor's QCP by using PBS's quality assurance surveillance plan (QASP) to review such areas as the contractor's quality control inspection forms and the timeliness of corrective actions. The QASP is the government's method of monitoring and evaluating the contractor's performance.

Due to the high volume of work and documentation requirements in O&M contracts, ensuring compliance is ultimately a collaborative effort between PBS, onsite contracting staff, and the O&M contractors. This effort requires frequent communication between all parties to maintain performance levels and identify and resolve performance deficiencies.

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## Results

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### **Finding – O&M contractors did not consistently comply with the terms and conditions of their GSA contracts.**

O&M contractors did not consistently comply with the terms and conditions of their GSA contracts. We found that O&M contractors did not complete all work orders for service requests and preventive maintenance. In some cases, O&M contractors marked work orders as complete even though the work was not actually completed. O&M contractors also did not complete work orders timely.

These deficiencies occurred for a variety of reasons that are attributable to both the O&M contractors and PBS. We found that O&M contractors are not always providing sufficient staff to meet their contract requirements, are struggling to hire and retain key personnel, and are not effectively monitoring their contract performance. We also found that O&M contractors and PBS are misinterpreting the time frames in O&M contracts for completing work orders for routine service requests and that PBS does not always provide effective oversight of the O&M contractors' performance.

### **O&M Contractors Did Not Complete All Work Orders or Complete Work Orders Timely**

Work orders for service requests and preventive maintenance are integral parts of ensuring that O&M services are effective. If O&M contractors do not complete the work orders or do not complete them timely, PBS buildings and equipment are more vulnerable to excessive wear and tear. This can lead to higher repair and replacement costs and can create safety risks to building occupants.

To assess O&M contractors' completion of work orders, we sampled the O&M contracts for six GSA-owned buildings located in Georgia, Maryland, Massachusetts, New York, Oregon, and Texas. See **Appendix B** for a detailed listing of our audit sample. We selected a sample of 49 work orders for these buildings. Our analyses of the sampled 23 service request work orders and 26 preventive maintenance work orders are listed in **Appendix C** and **Appendix D**, respectively.

In reviewing the sample, we found that O&M contractors did not complete all work orders for service requests and preventive maintenance. We also found that O&M contractors did not complete all work orders timely.

**O&M contractors did not complete all work orders.** We found that O&M contractors did not complete 34 of the 49 work orders we sampled (69 percent). In some cases, O&M contractors marked work orders as complete even when the work was not actually completed. Examples are provided on the following pages.

- **Preventive Maintenance Work Order: Fire System Water Tank – Edith Green-Wendell Wyatt Federal Building, Portland, Oregon** – The building’s fire suppression system includes a water tank that is designed to provide a reliable backup source of water for the building’s fire suppression system. According to the PBS preventive maintenance standard listed on the NCMMS work order, the tank should be drained, inspected for any cracks, and thoroughly cleaned every 3 years.<sup>1</sup>

We observed the tank during our site visit on May 23, 2023. As shown in *Figure 1*, the water in the tank was murky, indicating that the O&M contractor had not cleaned the tank in a long time.

**Figure 1 – Fire System Water Tank at Edith Green-Wendell Wyatt Federal Building<sup>2</sup>**



The O&M contractor marked this work order as complete in August 2022; however, the COR told us during the site visit that the work obviously was not completed.

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<sup>1</sup> PBS Maintenance Standard TANK-WTR-01-03Y, *Tanks - Water Storage*.

<sup>2</sup> Photograph taken by the audit team, May 23, 2023.

To inspect the tank for cracks, the O&M contractor hired a subcontractor to send a submersible into the tank.<sup>3</sup> However, the COR stated that the submersible was ineffective because it could not “see” through the murky water. The COR also stated that possible debris in the dirty water could clog sprinkler heads, making the fire suppression system ineffective.

- **Preventive Maintenance Work Order: Air Handler Unit – George H. Mahon Federal Building and U.S. Courthouse, Lubbock, Texas** – An air handler unit (AHU) distributes cool air throughout a building by passing the air through evaporator coils, which absorb heat from the air. As part of the preventive maintenance work order, the O&M contractor was required to clean the AHU coils by brushing, blowing, vacuuming, or pressure washing.<sup>4</sup> The contractor marked the work order complete in NCMMS on April 14, 2022.

The COR inspected the AHU on June 23, 2022, after the preventive maintenance work order was marked complete in NCMMS. In the COR’s inspection of the AHU, they noted that the AHU coils were dirty and needed to be cleaned. The audit team asked the COR if they thought the contractor completed the preventive maintenance work order on April 14, 2022, and if it did, would the coils have been dirty again by the time of their inspection on June 23, 2022. The COR stated that if the contractor completed the preventive maintenance properly, the coils would not have been dirty that soon after cleaning.

We observed the AHU coils during our site visit on May 18, 2023. As shown in *Figure 2* on the next page, we found that the AHU coils were full of dirt and debris.

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<sup>3</sup> A submersible is an underwater drone with an attached camera used to inspect the inside of the water tank that is otherwise unreachable.

<sup>4</sup> PBS Maintenance Standard HVAC-AHU-04-01Y, *Packaged Air Handler*.

Figure 2 – AHU Coils at the George H. Mahon Federal Building and U.S. Courthouse<sup>5</sup>



NCMMS indicated that preventive maintenance on the AHU was completed in April 2023. Despite the condition of the AHU coils during our visit on May 18, 2023, the contractor still marked the work order as complete in NCMMS. However, the contractor did not complete the preventive maintenance properly, like the COR experienced in June 2022.

- **Service Request Work Order: Pipe Valve Leak – Jacob K. Javits Federal Building, New York, New York** – The PBS equipment specialist created this work order to fix a pipe valve that was leaking over a motor control center. A motor control center is an electrical panel that allows a technician to turn off building equipment from a central location, rather than forcing them to go to each piece of equipment individually.

We observed the motor control center during a tour of the building on January 19, 2023. As shown in *Figure 3* on the next page, we found that water was leaking from a valve located above and just in front of the motor control center. According to the PBS equipment specialist, a leaking valve over a motor control center can cause corrosion of electrical components, mechanical parts failure, short circuits, possible fires, and can shock someone who touches the cabinet.

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<sup>5</sup> Photograph taken by the audit team, May 18, 2023.

**Figure 3 – Motor Control Center at Jacob K. Javits Federal Building with Blue Recycling Bin to Collect Water from Leaking Valve<sup>6</sup>**



The O&M contractor marked the work order in NCMMS as being completed on November 14, 2022. However, as shown in *Figure 3*, the leak was not fixed; therefore, the O&M contractor did not complete the work.

**O&M contractors did not complete all work orders timely.** The O&M contracts generally require routine service requests to be completed within 24 hours. Preventive maintenance work orders are required to be completed in the month they are scheduled. However, we found that O&M contractors did not complete 21 of the 49 work orders we sampled (43 percent) timely.<sup>7</sup> Examples are provided on the following pages.

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<sup>6</sup> Photographs taken by the audit team, January 19, 2023.

<sup>7</sup> Five of the six O&M contracts in our sample required routine service requests to be completed within 24 hours of notification. The remaining contract required routine service requests to be completed within 72 hours of notification. For preventive maintenance, we considered any duration over 35 days as not timely.

- **Preventive Maintenance Work Order: Cooling Tower Cleaning – Sam Nunn Atlanta Federal Center, Atlanta, Georgia** – A cooling tower helps control the climate inside a building by removing heat from a building’s water supply and returning cold water to the building’s chiller where it can be used for air conditioning. According to the PBS preventive maintenance standard listed on the NCMMS work order, the cooling tower should be cleaned every 3 months.<sup>8</sup>

We observed the cooling tower during our site visit on May 16, 2023. As shown in *Figure 4* below, we observed green, biological growth and white scaling on the cooling tower “fills.” We asked the COR if we could look inside the cooling tower and requested that the O&M contractor remove the screens. The contractor employees had trouble removing them due to significant calcification caused by a lack of maintenance.

**Figure 4 – Biological Growth and Scaling on the Cooling Tower at the Sam Nunn Atlanta Federal Center<sup>9</sup>**



This work order was scheduled to be completed in October 2022, but was not marked complete until December 2022. According to the PBS *Public Buildings Maintenance Standards*, preventive maintenance for cooling towers should be done quarterly; therefore, another cleaning should have been completed in March 2023. Due to the

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<sup>8</sup> PBS Maintenance Standard HVAC-TWR-01-03M, *Cooling Tower - Cleaning*.

<sup>9</sup> Photograph taken by the audit team, May 16, 2023.

state of the tower during our May 2023 visit, as shown in *Figure 4*, we concluded that preventive maintenance had not been completed since at least December 2022.

We subsequently reviewed the work order history for the cooling tower and found that all preventive maintenance work orders were cancelled from April 2023 forward. In addition, 1 day after our visit, the COR created a new work order in NCMMS for the preventive maintenance, but subsequently cancelled it as well.

We asked the O&M contractor about the cancelled preventive maintenance work orders. The project manager for the O&M contractor stated that they, in conjunction with the COR, decided to no longer service the cooling towers at this building because they were being decommissioned and replaced at a future date.<sup>10</sup> Nonetheless, the long-term failure to clean the cooling tower significantly increased potential risk of disease, system inefficiency, and corrosion.

- **Service Request Work Order: Fan Belt Replacement – Suitland Federal Center, Suitland, Maryland** – The PBS equipment specialist created this work order on November 30, 2022, to repair one of two supply fans located in the emergency generator room. The work order noted that the supply fan was very loud, and the fan belt needed to be replaced. The supply fan is needed to keep the room cool where the emergency generator controls are located to prevent them from overheating and possibly failing.

We visited the building on June 29, 2023—7 months after PBS submitted the work order—and found that the fan belt had not been replaced. During our visit, we heard a screeching noise coming from the fan and felt a vibration when in proximity to it. We also noted that it felt warm on the side of the room nearest to the fan. The PBS equipment specialist stated that it felt warm because the fan is not properly cooling that side of the room. The equipment specialist stated that after he created the work order, the O&M contractor told him that there was no issue with the fan on December 1, 2022.

In February 2023, the O&M contractor acknowledged there was an issue and ordered parts to repair the fan. The O&M contractor replaced the fan belt on November 22, 2023, approximately 1 year after the initial service request was entered into NCMMS.

- **Service Request Work Order: Bodine Ballast Replacement – Edith Green-Wendell Wyatt Federal Building, Portland, Oregon** – The COR created this work order on June 1, 2022, to replace a bodine ballast in the main electrical room of the building. A bodine ballast is a type of lighting fixture that provides emergency lighting in the event of a power outage. The specific lighting fixtures for this work order contain lights connected to the building’s electrical system, but also contain a battery-operated light. The battery-operated light provides instant backup lighting when normal power fails.

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<sup>10</sup> We confirmed that PBS replaced the cooling towers in October 2023.

An operational ballast shows an illuminated red light on the lighting fixture. According to the COR, when the red light is out, it is an obvious indicator that a new fixture is needed and makes it easy for the O&M contractor to spot and fix quickly. The COR stated that, during one of his building tours, he noticed that the red light was out and notified the O&M contractor by creating the work order; however, NCMMS shows that the O&M contractor did not replace the ballast until October 13, 2022—4 months after the initial service request. This was a routine service request and was supposed to be completed within 24 hours. According to the COR, this is something that could have been completed within 1 hour.

### **Noncompliance Is Attributable to Both O&M Contractors and PBS**

Overall, we found that multiple factors contributed to the deficiencies in O&M contractor performance described above. As discussed below, these factors were attributable to both the O&M contractors and PBS.

**Factors affecting O&M contractors' performance.** We found that O&M contractors often have insufficient staff to handle the workload, especially for larger buildings. Additionally, O&M contractors are struggling to hire and retain key personnel and are not effectively monitoring their contract performance by completing required quality control inspections.

*O&M contractor staffing is not always sufficient.* For five of the six buildings we sampled, the PBS personnel we interviewed stated that the number of O&M contractor staff was not sufficient to cover the O&M contract requirements, with some buildings containing millions of square feet of space and thousands of building assets to maintain. PBS personnel also stated that larger buildings have high volumes of work orders each month, which can be difficult to complete timely without sufficient staffing.

When PBS issues a solicitation and evaluates O&M contractor proposals, contractor staffing is one of many aspects reviewed. However, PBS contracting officers do not always consult with PBS staff who are at the associated building to determine if the staffing the O&M contractor is proposing is sufficient. The COR for a building in our sample stated that the PBS contracting officer did not consult with him prior to contract award to determine if proposed staffing was sufficient. Had the COR been consulted, he said he could have informed the contracting officer that the proposed level of staffing was not sufficient to comply with the terms and conditions of the solicitation.

*O&M contractors struggle to hire and retain key personnel positions.* O&M contracts require contractors to have either a project manager or chief engineer on staff. Although they have two different titles, they have similar, essential leadership responsibilities, which include the following:

- Providing customer relations and general building maintenance through supervision and coordination of activities of workers engaged in maintaining and repairing building systems;
- Scheduling and assigning work responsibilities;
- Administering preventive maintenance schedules;
- Recording and evaluating preventive maintenance activities and programs;
- Orienting and training employees to perform maintenance activities; and
- Assisting mechanics in troubleshooting maintenance problems.

When we asked PBS personnel about the primary causes of O&M contract performance deficiencies, one COR explained that three chief engineers quit between July and December 2022. He added that the O&M contractor had not provided a chief engineer since December 23, 2022. As of our site visit on June 29, 2023, the chief engineer position had still not been filled; however, according to the COR, a new chief engineer was scheduled to start in the coming weeks.

In another example, the COR stated that the current project manager is not qualified for the position because of a lack of knowledge of building systems and equipment beyond his specialization as an electrician. Therefore, it is difficult for the project manager to determine if work orders are completed properly. Further, the COR stated that the project manager is not effective at managing staff and scheduling work.

During our interviews, PBS personnel reiterated the importance of the project manager position and stated that the project manager essentially monitors the laborers, technicians, and mechanics. Accordingly, having an effective leadership team on the O&M contract and following the contract's contingency plan for replacing onsite personnel, when necessary, could potentially help ensure that the O&M contractor is performing effectively and efficiently.

*O&M contractors did not always complete quality control inspections.* We found that O&M contractors did not always complete quality control inspections, despite being required to by their contracts' quality control plans (QCPs). The lack of quality control inspections has hindered the O&M contractors from effectively monitoring their contract performance to identify and correct any deficiencies.

O&M contracts require that the O&M contractor develop and implement a QCP. Each O&M contractor's QCP is unique and provides different percentages of completed work orders the contractor needs to inspect to monitor its performance. The QCP describes the O&M contractor's overall approach, methods, roles, and responsibilities relating to quality control of all areas of contract work, including service requests and preventive maintenance. The O&M contractor is typically required to submit quality control inspection reports monthly to the COR.<sup>11</sup>

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<sup>11</sup> One contract in our sample required quality control inspection reports to be submitted weekly (Contract Number 47PH0218D0010 at Building Number TX0230ZZ).

However, we found that O&M contractors did not comply with their contracts because they did not inspect the monthly percentage of completed work orders defined in their QCPs. One contractor did not inspect any completed work orders even though its contract required quality control inspections to be submitted monthly.

In addition, the inspection reports for some of the quality control inspections that were completed lacked any detail about what the O&M contractor specifically reviewed. For example, some of the O&M contractor quality control inspection forms did not identify a specific work order number or asset number that would allow the COR to know specifically what was inspected.

In some instances, we found that the O&M contractor was unfamiliar with its own QCP requirements. In addition, we found that O&M contractors asserted on the quality control inspection forms that service requests and preventive maintenance work orders were completed within required contract time frames, even when they were not.

The following are examples of deficient O&M contractor quality control inspections we found during our audit:<sup>12</sup>

- **Sam Nunn Atlanta Federal Center, Atlanta, Georgia** – O&M contractor employees responsible for quality control inspections stated they have not reviewed the QCP since the contract started in 2018, and that they are not as familiar with it as they should be. In some inspection reports we reviewed, the O&M contractor indicated a work order number, but did not provide any detail on what was reviewed as part of the inspection.
- **John F. Kennedy Federal Building, Boston, Massachusetts** – The O&M contractor inspected 437 work orders from January 2022 through March 2023 for its quality control inspections. On the inspection forms, the O&M contractor marks whether the work order passed or failed the inspection. We sampled 154 of the work orders the O&M contractor reviewed as part of its quality control inspections. Of those 154 work orders, we found 6 preventive maintenance work orders that were marked as passing inspection but were not completed in the month scheduled. Therefore, the O&M contractor should not have marked these work orders as passing inspection on its quality control inspection forms. In addition, the O&M contractor did not complete any inspections for 5 months of the 15-month period we reviewed.
- **Suitland Federal Center, Suitland, Maryland** – The O&M contractor did not complete any quality control inspections from the beginning of its contract in July 2022 through January 2023. In February and March 2023, the O&M contractor reviewed 35 work orders as part of its quality control inspections and marked all of them as having passed the quality control inspection. We examined these work orders and found that six were

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<sup>12</sup> See **Appendix E** for further information on QCPs and quality control inspections for the sample of buildings we selected.

not completed timely. The O&M contractor employee responsible for the quality control inspections told us that they were not aware of the required time frames for completing the work.

- **Jacob K. Javits Federal Building, New York, New York** – The O&M contractor did not complete any quality control inspections from January 2022 through March 2023. We also found that PBS personnel did not question the O&M contractor regarding the lack of quality control inspections.

#### **Factors affecting PBS's ability to ensure O&M contractors meet performance requirements.**

As described below, PBS's ability to ensure O&M contractors meet performance requirements is affected by: (1) the misinterpretation of PBS's contract terms and (2) deficiencies in PBS's oversight of O&M contractors.

*O&M contracts terms are being misinterpreted.* Five of the six contracts we sampled state that routine service requests must be completed within 24 hours of notification; however, two O&M contractors and a COR interpreted that as three 8-hour working days, rather than 24 continuous hours. The PBS Office of Facilities Management confirmed to us that the 24-hour requirement is meant to be continuous time.

These misinterpretations of the contract terms led to instances when the contractor thought it had more time than contractually allowed to complete routine service requests. In addition, the COR considered routine service requests as being completed timely when they were not.

*PBS has poor oversight of O&M contractors.* CORs are appointed to monitor contractor performance. As part of their monitoring of contractor performance, CORs are required to periodically validate the execution of the O&M contractors' QCP by reviewing such areas as the contractors' quality control inspection forms. However, we found that CORs are not always aware of the O&M contractors' QCPs. As a result, the CORs are not ensuring that the O&M contractor is performing its oversight in accordance with the QCP.

Federal Acquisition Regulation 46.102(c), *Policy*, requires agencies to conduct inspections to ensure the work performed by a contractor meets the requirements of the contract. To fulfill this requirement, PBS uses quality assurance surveillance plans (QASPs) as the basis for inspections of the work performed by O&M contractors. According to the QASPs, PBS periodically validates the execution of the contractors' quality control programs by reviewing such areas as the contractors' quality control inspection forms. While the QASP specifically states that the O&M contractors' quality control inspections should be reviewed, there is no specific guidance on what that review should entail or how frequently it should occur.

O&M contracts typically require the contractor to submit quality control inspection reports monthly to the COR.<sup>13</sup> CORs are supposed to periodically review the contractor's quality control inspections to ensure contractors are reviewing the required percentage of work orders each month. In addition, if O&M contractors' quality control inspections indicate work orders were satisfactorily completed and completed timely, the COR should be reviewing these to ensure they were completed properly and timely. We interviewed the CORs for the six contracts we sampled and found that they were generally unaware of their contracts' QCP requirements and the O&M contractors' quality control inspection responsibilities. Four out of the six CORs for our sampled buildings never reviewed the O&M contractors' quality control inspections despite their contracts' requirement to submit them each month.

As part of the government's quality assurance, CORs should review the contractor's QCP and quality control inspections to determine if they are adequate or need improvement. If CORs are not aware of the O&M contractor's QCP and required inspection responsibilities, PBS's ability to hold the O&M contractor accountable for noncompliance with the terms and conditions of its contract is impeded.

The deficiencies discussed in the finding above are consistent with our findings from past audit reports on PBS's oversight of O&M contracts. Examples include:

- A September 24, 2021, audit report that found PBS's Northeast and Caribbean Region is not effectively overseeing contractor performance on its O&M contracts.<sup>14</sup> Specifically, we found that regional contracting personnel either did not inspect the contractors' work or did not perform the inspections properly. We also found that the preventive maintenance records did not always include required information necessary to oversee the O&M contractors' performance.
- A December 16, 2021, audit report that found PBS's Greater Southwest Region, among other things, paid an O&M contractor for unallowable costs for additional services, failed to enforce staffing requirements, and did not verify that the O&M contractor performed required services.<sup>15</sup>

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<sup>13</sup> One contract in our sample required quality control inspections to be submitted weekly (Contract Number 47PH0218D0010 at Building Number TX0230ZZ).

<sup>14</sup> *PBS's Northeast and Caribbean Region is Not Effectively Overseeing its Operations and Maintenance Contracts* (Report Number A201046/P/2/R21007).

<sup>15</sup> *Audit of a Hotline Complaint: PBS Greater Southwest Region's Operations and Maintenance Contracts* (Report Number A190054/P/4/R22001).

- A September 30, 2022, audit report that found PBS was not consistently verifying that O&M contractors were changing air filters or meeting preventive maintenance requirements for air handling units in GSA-controlled facilities.<sup>16</sup>

Accordingly, PBS should ensure that O&M contractors understand the required time frames for completing service request task orders and that CORs are reviewing the O&M contractors' quality control inspections to validate that they have effective QCPs.

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<sup>16</sup> *COVID-19: PBS Faces Challenges in Its Efforts to Improve Air Filtration in GSA-Controlled Facilities* (Report Number A201018/P/4/R22008).

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## Conclusion

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O&M contractors did not consistently comply with the terms and conditions of their GSA contracts. We found that O&M contractors did not complete all work orders for service requests and preventive maintenance. In some cases, O&M contractors marked work orders as complete even though the work was not actually completed. O&M contractors also did not complete work orders timely.

These deficiencies occurred for a variety of reasons that are attributable to both the O&M contractors and PBS. We found that O&M contractors are not always providing sufficient staff to meet their contract requirements, are struggling to hire and retain key personnel, and are not effectively monitoring their contract performance. We also found that O&M contractors and PBS are misinterpreting the time frames in O&M contracts for completing work orders for routine service requests and that PBS does not always provide effective oversight of the O&M contractors' performance.

To address these deficiencies, PBS should take measures to improve O&M contractor performance. Among other things, PBS should assess staffing levels for O&M contracts, ensure that O&M contractors have effective plans in place to address turnover, and ensure contractors are aware of and adhere to their QCPs. PBS should also ensure its contract terms are clear and strengthen contract oversight.

## Recommendations

We recommend that the PBS Commissioner ensure that PBS contracting officials:

1. Emphasize the evaluation of O&M contractors' proposed staffing and communicate with onsite PBS staff prior to contract award to ensure contract terms and conditions can be fully met.
2. Confirm and enforce O&M contractor compliance with contractual requirements governing:
  - a. "Personnel" and "Contractor Key Personnel"; and
  - b. Contingency plans for "Loss of the Contractor's onsite personnel."
3. Ensure that the O&M contract language clearly specifies the time requirements for routine service request completion and that the requirements are communicated to O&M contractors.
4. Thoroughly review and understand the O&M contracts' QCP inspection requirements.
5. Improve oversight of O&M contractors' compliance with the terms and conditions of their GSA contracts.

## GSA Comments

The PBS Commissioner agreed with the report recommendations. PBS's response can be found in its entirety in **Appendix F**.

## Audit Team

This audit was managed out of the Northeast and Caribbean Region Audit Office and conducted by the individuals listed below:

Arthur Maisano	Regional Inspector General for Auditing
Gregory Ventola	Audit Manager
Blayne Einstein	Auditor-In-Charge

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## **Appendix A – Objective, Scope, and Methodology**

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### **Objective**

Our audit objective was to determine whether O&M contractors are complying with the terms and conditions of their GSA contracts.

### **Scope and Methodology**

Our audit scope included a judgmental sample of six O&M contracts nationwide and a judgmental sample of 49 O&M service request and preventive maintenance work orders for these buildings for the period of January 2022 through March 2023.

To accomplish our objective, we:

- Reviewed prior GSA Office of Inspector General reports related to PBS's O&M contracts;
- Reviewed the sample O&M contracts' terms and conditions related to service request and preventive maintenance work orders to determine if they were being completed properly and timely;
- Reviewed PBS maintenance standards and manufacturer instructions for equipment maintenance to determine if the O&M contractors maintained the equipment properly;
- Reviewed NCMMS data to determine if it was complete and accurate and to assist in sample selection;
- Reviewed the O&M contractors' QCPs and quality control inspection reports to determine if they adequately ensure compliance with contract requirements;
- Interviewed PBS officials, including the contracting officers, CORs, building managers, and equipment specialists, to discuss their knowledge of, and experience with, O&M contractors and discuss potential causes of any existing concerns;
- Interviewed O&M contractor employees as necessary to address the audit objective;
- Reviewed 23 service request and 26 preventive maintenance work orders from the six sampled buildings to determine if they were completed properly and timely;
- Analyzed NCMMS data to calculate the percentage of quality control inspections performed and work orders that were not completed timely; and
- Performed site visits to the six sampled buildings to observe and photograph the state of the building equipment in relation to the selected work orders.

### **Data Reliability**

We assessed the reliability of service request and preventive maintenance work order data the audit team extracted from NCMMS by reviewing NCMMS user guides, interviewing PBS officials, reviewing a sample of work orders, and making direct observations of building equipment during our site visits. We determined that the data was sufficiently reliable for the purposes of this audit.

## Sampling

We selected two samples for the period of January 1, 2022, through March 30, 2023. The first sample was a sample of buildings and their respective O&M contracts. The second sample was a sample of work orders from those buildings. The sample design did not include sample sizes that would allow for projection of the results to the population; however, they allowed us to sufficiently address our audit objective.

Contract Sample Selection – On February 15, 2022, we received a hotline complaint alleging that the O&M contractor was neglecting preventive maintenance at the Jacob K. Javits Federal Building. Again, in May 2022, our Regional Inspector General for Auditing in New York received information from a Special Agent in our Office of Investigations in Boston that there were problems with the O&M contractor at the John F. Kennedy Federal Building. We selected these two buildings and their respective O&M contracts as part of our sample.

As a result of current and past audit work on O&M contracts, we determined that PBS equipment specialists are knowledgeable about building equipment, machinery, systems, and the space itself that keep government buildings operating. Accordingly, we contacted 83 PBS equipment specialists throughout the country who worked at 42 different buildings to ascertain specific and/or general problems with O&M contractor performance. Based on responses from PBS equipment specialists, we selected a judgmental sample of four buildings and their respective O&M contracts. In selecting this sample of four buildings, we considered: (1) inquiries with PBS equipment specialists nationwide and (2) NCMMS data that indicated potential contract performance issues. See **Appendix B** for further information on the sample of buildings we selected.

Work Order Sample Selection – We selected a judgmental sample of 1 urgent service request, 18 routine service requests, and 26 preventive maintenance work orders.<sup>17</sup> In selecting this sample, we considered: (1) NCMMS reported and completion dates, (2) prior audit experience with specific equipment types, and (3) information provided by PBS building personnel.

## Internal Controls

We assessed internal controls significant within the context of our audit objective against GAO-14-704G, *Standards for Internal Control in the Federal Government*. The methodology above describes the scope of our assessment, and the report findings include any internal control deficiencies we identified. Our assessment is not intended to provide assurance on GSA's internal control structure as a whole. GSA management is responsible for establishing and maintaining internal controls.

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<sup>17</sup> Four of the service requests we selected did not have a priority level assigned.

## **Compliance Statement**

We conducted the audit between December 2022 and August 2023 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 finding and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our finding and conclusions based on our audit objective.

## Appendix B – Building Sample

Contract Number	Building Number	Building Name and Address	Contract Value
47PE0218D0008	GA1007ZZ	SAM NUNN ATLANTA FEDERAL CENTER 100 ALABAMA ST SW ATLANTA, GA 30303-8700	\$ 24,169,543.00
47PB0021D0003	MA0131ZZ	JOHN F. KENNEDY FEDERAL BUILDING 15 NEW SUDBURY ST BOSTON, MA 02203-0002	\$ 17,657,444.00
47PD0322A0002	MD0778AG	SUITLAND FEDERAL CENTER 4600 SILVER HILL ROAD SUITLAND, MD 20746-2402	\$ 36,535,424.19
GS-P-02-16-PV-7083	NY0282ZZ	JACOB K. JAVITS FEDERAL BUILDING 26 FEDERAL PLAZA NEW YORK, NY 10278-1111	\$ 97,723,886.76
47PL0218D0011	OR0043ZZ	EDITH GREEN - WENDELL WYATT FEDERAL BUILDING 1220 SW 3RD AVE PORTLAND, OR 97204-2825	\$ 2,167,243.80
47PH0218D0010	TX0230ZZ	GEORGE. H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE 1205 TEXAS AVE LUBBOCK, TX 79401-4037	\$ 5,703,127.25

## Appendix C – Sampled Service Request Work Orders

Building Name	Work Order Number	Work Order Priority	NCMMS Work Reported Date	NCMMS Actual Finish Date	Days Elapsed	Completed Properly	Completed Timely
			A	B	C = B - A		
		Note 1	Note 2			Note 3	Note 4
SAM NUNN ATLANTA FEDERAL CENTER	22-93893768	3	3/24/2022	4/18/2022	25	NO	NO
SAM NUNN ATLANTA FEDERAL CENTER	22-95984429	3	7/12/2022	7/20/2022	8	YES	NO
SAM NUNN ATLANTA FEDERAL CENTER	22-95910902	3	6/28/2022	7/12/2022	14	YES	NO
SAM NUNN ATLANTA FEDERAL CENTER	22-96956526	2	11/17/2022	11/23/2022	6	YES	N/A
JOHN F. KENNEDY FEDERAL BUILDING	22-96313567	3	8/19/2022	8/22/2022	3	YES	NO
JOHN F. KENNEDY FEDERAL BUILDING	22-96592798	3	9/30/2022	-	-	NO	N/A
JOHN F. KENNEDY FEDERAL BUILDING	22-97199385	3	12/9/2022	1/20/2023	42	NO	NO
JOHN F. KENNEDY FEDERAL BUILDING	22-97199463	3	12/9/2022	1/20/2023	42	NO	NO
SUITLAND FEDERAL CENTER	22-97089824	3	11/30/2022	-	-	NO	N/A
SUITLAND FEDERAL CENTER	22-97075397	3	11/29/2022	12/6/2022	7	NO	NO
SUITLAND FEDERAL CENTER	23-99368554	3	2/1/2023	2/2/2023	1	NO	YES
JACOB K. JAVITS FEDERAL BUILDING	21-74719328	3	3/8/2021	11/14/2022	616	NO	NO
JACOB K. JAVITS FEDERAL BUILDING	21-74722148	3	3/8/2021	11/14/2022	616	NO	NO
JACOB K. JAVITS FEDERAL BUILDING	22-96700666	3	3/8/2021	11/14/2022	616	NO	NO
JACOB K. JAVITS FEDERAL BUILDING	22-96701302	3	10/13/2022	1/13/2023	92	NO	NO
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	22-96514667	3	6/1/2022	10/13/2022	134	NO	NO
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	22-92038413	3	2/10/2022	12/13/2022	306	YES	NO
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	22-92040702	3	2/10/2022	5/11/2022	90	YES	NO
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	22-92044788	3	2/10/2022	6/24/2022	134	YES	NO
GEORGE H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	22-95888263	-	6/27/2022	6/30/2022	3	NO	N/A
GEORGE H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	22-96574796	-	9/26/2022	2/10/2023	137	NO	N/A
GEORGE H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	22-96436192	-	9/12/2022	3/10/2023	179	NO	N/A
GEORGE H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	22-96761383	-	10/24/2022	11/28/2022	35	NO	N/A
						Percent Not Completed Properly	Percent Not Completed Timely
						Note 5	Note 6
						70 Percent	94 Percent

### Notes:

1. Work order priority indicates the level of the service request (i.e., emergency, urgent, and routine) and how quickly it should be completed. We reviewed service request work orders with priority levels of 2 (urgent), which should be responded to within 1 hour; and 3 (routine), which must be completed within 24 hours. Four of the work orders we reviewed did not have an assigned priority level.
2. This is the date the work order was reported, as entered in NCMMS.

3. We determined whether service request work orders were completed properly by reviewing the work order request description, observing completed work, and interviewing the CORs and equipment specialists.
4. We determined if the routine service request work orders were completed timely by subtracting the reported date from the actual finish date. If the amount of “Days Elapsed” was greater than 1 day (i.e., the required 24 continuous hours), we determined the work order was not completed timely. For the one service request work order with a priority of level 2 (urgent), we could not determine whether it was completed timely because the O&M contract did not specify how quickly urgent service request work orders must be completed. For the remaining work orders with an “N/A” (not applicable) designation, we could not determine if they were completed timely because either no finish date was entered into NCMMS or there was no priority level associated with the work order.
5. We determined that 16 of 23 service request work orders (70 percent) were not completed properly.
6. We determined that 15 of 16 routine service request work orders (94 percent) with assigned priority levels and end dates were not completed timely.

## Appendix D – Sampled Preventive Maintenance Work Orders

Building Name	Work Order Number	NCMMS Target Start Date	NCMMS Actual Finish Date	Days Elapsed	Completed Properly	Completed Timely
		A	B	C = B – A		
		Note 1	Note 2		Note 3	Note 4
SAM NUNN ATLANTA FEDERAL CENTER	22-96471963	10/1/2022	12/6/2022	66	NO	NO
SAM NUNN ATLANTA FEDERAL CENTER	22-97282341	1/1/2023	1/23/2023	22	YES	YES
SAM NUNN ATLANTA FEDERAL CENTER	22-96472130	10/1/2022	11/8/2022	38	NO	NO
SAM NUNN ATLANTA FEDERAL CENTER	22-93117353	4/1/2022	5/23/2022	52	NO	NO
JOHN F. KENNEDY FEDERAL BUILDING	22-96480295	10/1/2022	11/30/2022	60	NO	NO
JOHN F. KENNEDY FEDERAL BUILDING	22-96480305	10/1/2022	11/30/2022	60	NO	NO
JOHN F. KENNEDY FEDERAL BUILDING	22-96936649	12/1/2022	12/5/2022	4	NO	YES
JOHN F. KENNEDY FEDERAL BUILDING	22-96682631	11/1/2022	11/28/2022	27	NO	YES
SUITLAND FEDERAL CENTER	22-95815725	7/1/2022	8/1/2022	31	YES	YES
SUITLAND FEDERAL CENTER	22-95989474	8/1/2022	9/1/2022	31	YES	YES
JACOB K. JAVITS FEDERAL BUILDING	1774505-AC-1			-	NO	N/A
JACOB K. JAVITS FEDERAL BUILDING	1774506-AC-1			-	NO	N/A
JACOB K. JAVITS FEDERAL BUILDING	22-97235942			-	NO	N/A
JACOB K. JAVITS FEDERAL BUILDING	22-97235943			-	NO	N/A
JACOB K. JAVITS FEDERAL BUILDING	22-97235944			-	NO	N/A
JACOB K. JAVITS FEDERAL BUILDING	22-97233800	1/1/2023	1/3/2023	2	YES	YES
JACOB K. JAVITS FEDERAL BUILDING	22-97398104	1/5/2023	1/19/2023	14	YES	YES
JACOB K. JAVITS FEDERAL BUILDING	22-97398270	1/5/2023	1/18/2023	13	NO	YES
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	22-96045407	8/1/2022	8/9/2022	8	NO	YES
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	23-97759718	2/1/2023	1/12/2023	-	NO	YES
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	23-100282073	3/1/2023	3/24/2023	23	NO	YES
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	23-100281989	4/1/2023	4/28/2023	27	NO	YES
GEORGE H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	22-93245877	4/1/2022	4/14/2022	13	NO	YES
GEORGE H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	22-95795919	7/1/2022	8/13/2022	43	YES	NO
GEORGE H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	23-100323508	3/1/2023	3/6/2023	5	YES	YES
GEORGE H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	23-100329786	3/1/2023	4/5/2023	35	YES	YES
					Percent Not Completed Properly	Percent Not Completed Timely
					Note 3	Note 4
					69 Percent	29 Percent

### Notes:

1. This is the target start date from NCMMS. Since preventive maintenance is required to be completed in the month scheduled, the target start date from NCMMS is typically the first day of the month.

2. This is the date the work order was marked as completed in NCMMS.
3. We determined whether preventive maintenance work orders were completed properly by reviewing the work order request description, observing completed work and comparing against maintenance standards, and interviewing the CORs and equipment specialists. We determined that 18 of 26 preventive maintenance work orders we sampled (69 percent) were not completed properly.
4. We determined if preventive maintenance work orders were completed timely by subtracting the target start date from the actual finish date. O&M contracts require preventive maintenance work orders to be completed in the month scheduled. If a work order had “days elapsed” greater than 35 days, we determined that it was not completed timely. We used a period of 35 days to determine if a preventive maintenance work order was completed timely to account for any holidays and weekends in a month. We determined that 6 of 21 preventive maintenance work orders we sampled (29 percent) were not completed timely.

We also reviewed NCMMS data for preventive maintenance work orders for the six buildings in our sample. The table below shows the percentage of preventive maintenance work orders that were not completed timely (within 35 days), by sampled building, during our audit period (January 2022 through March 2023).

Building Name	Percentage of Preventive Maintenance Work Orders Not Completed in the Month Scheduled
SAM NUNN ATLANTA FEDERAL CENTER	3%
JOHN F. KENNEDY FEDERAL BUILDING	27%
SUITLAND FEDERAL CENTER	0.1%
JACOB K. JAVITS FEDERAL BUILDING	44%
EDITH GREEN - WENDELL WYATT FEDERAL BUILDING	3.71%
GEORGE. H. MAHON FEDERAL BUILDING AND U.S. COURTHOUSE	2.33%

## Appendix E – Quality Control Plan and Inspections by Building

Building Number	QCP Required Percentage of Service Request Work Orders to be Inspected	Contractor Complied with Service Request Quality Control Inspections (Yes/No)	QCP Required Percentage of Preventive Maintenance Work Orders to be Inspected	Contractor Complied with Preventive Maintenance Quality Control Inspections (Yes/No)
	Note 1	Note 2	Note 1	Note 2
GA1007ZZ	Urgent – 35% Routine – 10%	NO	25%	NO
MA0131ZZ	Emergency – 100% Urgent – 100%	NO	N/A	N/A
MD0778AG	10%	NO	10%	NO
NY0282ZZ	N/A	N/A	N/A	N/A
OR0043ZZ	100%	NO	100%	NO
TX0230ZZ	N/A	N/A	10%	NO

### Notes:

1. The QCPs we reviewed specified different required percentages of service request and preventive maintenance work orders the O&M contractors should inspect. If the cell is marked “N/A,” then the O&M contractor did not specify the percentage of work it planned to inspect in its QCP.
2. We reviewed quality control inspections completed by the O&M contractors and determined if they complied with the QCP inspection percentage. If the cell is marked “N/A,” then the contractor did not specify the percentage of work it planned to inspect in its QCP.

## Appendix F – GSA Comments

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Public Buildings Service

April 8, 2024

MEMORANDUM FOR: ARTHUR MAISANO  
REGIONAL INSPECTOR GENERAL FOR AUDITING (JA-2)  
NORTHEAST AND CARIBBEAN REGION AUDIT OFFICE  
OFFICE OF INSPECTOR GENERAL

FROM: ELLIOT DOOMES *Elliot Doomes*  
COMMISSIONER (P)  
PUBLIC BUILDINGS SERVICE

SUBJECT: Response to the GSA Office of Inspector General's Draft  
Report, *Building Maintenance Contractors Are Not  
Complying with Their GSA Contracts Due to Poor  
Performance and Ineffective Oversight (A230032-1)*

Thank you for the opportunity to comment on the Office of Inspector General's (OIG) draft report, *Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight*. The Public Buildings Service (PBS) is committed to monitoring and evaluating its maintenance contracts so that federally owned facilities under the jurisdiction, custody and control of the U.S. General Services Administration (GSA) are maintained in good condition for its customer agencies and at the best value for taxpayers.

The draft report stated that maintenance contractors have failed to comply with the terms and conditions of their contracts with GSA. PBS will work to improve its quality assurance program to provide effective oversight of maintenance contracts.

Responses to the specific recommendations included in the draft report are set forth below.

### OIG Recommendations

1. Emphasize the evaluation of O&M contractors' proposed staffing and communicate with onsite PBS staff prior to contract award to ensure contract terms and conditions can be fully met.

PBS agrees with this recommendation and will work with personnel to reinforce the requirement to conduct technical evaluations of offers pre-award.

2. Confirm and enforce O&M contractor compliance with contractual

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Washington, DC 20405  
[www.gsa.gov](http://www.gsa.gov)

requirements governing:

- a. "Personnel" and "Contractor Key Personnel;" and
- b. Contingency plans for "Loss of the Contractor's onsite personnel."

PBS agrees with this recommendation and will issue guidance to address compliance with contract requirements.

3. Ensure that the O&M contract language clearly specifies the time requirements for routine service request completion and that the requirements are communicated to O&M contractors.

PBS agrees with this recommendation and will issue guidance regarding specifying and clarifying contractual time requirements.

4. Thoroughly review and understand the O&M contracts' QCP inspection requirements.

PBS agrees with the recommendation and will issue relevant guidance to address it.

5. Improve oversight of O&M contractors' compliance with the terms and conditions of their GSA contracts.

PBS agrees with the recommendation and will issue guidance emphasizing the Contracting Officer's and the Contracting Officer's Representative's compliance duties and responsibilities.

Thank you again for the opportunity to review and comment on the draft report. If you have any questions, please contact Pat Fee, Director, Facilities Operations Division, Office of Facilities Management, Public Buildings Service, at 202-501-0038.

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## ***Appendix G – Report Distribution***

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GSA Administrator (A)

GSA Deputy Administrator (AD)

Assistant Commissioner, Office of Facilities Management (PM)

Facilities Operations Division (PME)

Chief Financial Officer (B)

Deputy Chief Financial Officer (B)

Office of Audit Management and Accountability (BA)

Assistant Inspector General for Auditing (JA)

Deputy Assistant Inspector General for Acquisition Audits (JA)

Deputy Assistant Inspector General for Real Property Audits (JA)

Director, Audit Planning, Policy, and Operations Staff (JAO)