

The Census Bureau Did Not Effectively Manage and Monitor Contractor Performance for Paid Advertising in the 2020 Census Integrated Communications Contract

FINAL REPORT NO. OIG-24-021-A

MAY 8, 2024



U.S. Department of Commerce
Office of Inspector General
Office of Audit and Evaluation



May 8, 2024

MEMORANDUM FOR: Robert Santos
Director
U.S. Census Bureau

FROM: Arthur L. Scott, Jr.
Assistant Inspector General for Audit and Evaluation

SUBJECT: *The Census Bureau Did Not Effectively Manage and Monitor Contractor Performance for Paid Advertising in the 2020 Census Integrated Communications Contract*
Final Report No. OIG-24-021-A

Attached is our final report on the audit of the U.S. Census Bureau's oversight of the 2020 Census Integrated Communications Contract (ICC). Our objective was to determine whether the bureau effectively managed selected task orders related to paid advertising for the ICC to ensure desired outcomes were achieved.

We found the bureau did not properly administer the contract or monitor the contractor's performance in compliance with federal and departmental regulations and policies. Specifically, we found the following:

- I. Contracting officers did not ensure that the task orders included the required measurable performance standards and the methods for assessing contractor performance against standards.
- II. Contracting officers' representatives (CORs) did not follow contract procedures for reviewing, approving, and using quality assurance surveillance plans.
- III. CORs did not receive or maintain supporting documentation for paid media invoices totaling \$363 million.

In its response to our draft report, the bureau concurred with all six of our recommendations. The bureau's response is included in appendix C.

Pursuant to Department Administrative Order 213-5, please submit to us an action plan that addresses the recommendations in this report within 60 calendar days. This final report will be posted on the Office of Inspector General's website pursuant to the Inspector General Act of 1978, as amended (5 U.S.C. §§ 404 & 420).

Pursuant to Pub. L. No. 117-263, Section 5274, nongovernmental organizations and business entities specifically identified in this report have the opportunity to submit a written response for the purpose of clarifying or providing additional context to any specific reference. Any response must be submitted to me at ascott@oig.doc.gov and to OAE_Projecttracking@oig.doc.gov within 30 days of the report's publication date.

We appreciate the cooperation and courtesies extended to us by your staff during our audit. If you have any questions or concerns about this report, please contact me at (202) 792-4192.

Attachment

cc: Christa D. Jones, Chief of Staff, Census Bureau
Deborah Stempowski, Associate Director for Decennial Census Programs, Census Bureau
Kaile Bower, Chief, Business Operations Staff, Communications Directorate, Census Bureau



Report in Brief

MAY 8, 2024

Background

Every 10 years, the U.S. Census Bureau conducts a complete enumeration of the resident population of the United States and its territories.

To support the national headcount in 2020, the bureau developed the 2020 Census Integrated Partnership and Communications Program. The program's goals included encouraging people to self-respond, preferably via the Internet, and raising awareness of the decennial and keeping it high throughout the entire 2020 census.

An integral component of the campaign was the 2020 Census Integrated Communications Contract (ICC), which the bureau awarded in August 2016.

Why We Did This Audit

Our audit objective was to determine whether the bureau effectively managed selected task orders related to paid advertising for the ICC to ensure desired outcomes were achieved.

We focused on four ICC task orders, totaling \$436.5 million, related to strategy, planning, and execution of the ICC's paid advertising component.

U.S. CENSUS BUREAU

The Census Bureau Did Not Effectively Manage and Monitor Contractor Performance for Paid Advertising in the 2020 Census Integrated Communications Contract

OIG-24-021-A

WHAT WE FOUND

Overall, we found the bureau did not properly administer the contract or monitor the contractor's performance in compliance with federal and departmental regulations and policies. Specifically, we found the following:

- I. Contracting officers did not ensure that the task orders included the required measurable performance standards and the methods for assessing contractor performance against standards.
- II. Contracting officers' representatives (CORs) did not follow contract procedures for reviewing, approving, and using quality assurance surveillance plans (QASPs).
- III. CORs did not receive or maintain supporting documentation for paid media invoices totaling \$363 million.

As a result, the bureau could not ensure the contractor complied with contractual requirements and could have accepted substandard performance, potentially wasting millions of taxpayer dollars. In particular, the \$363 million in payments for media services represent unsupported costs because contracting officials did not maintain the required supporting documentation in the COR files.

WHAT WE RECOMMEND

We recommend that the Director of the Census Bureau ensure that:

1. Acquisition personnel, contracting officers, and CORs administer and execute contracts and task orders in accordance with federal regulations and department requirements.
2. Contracts and task orders include measurable performance standards (quality, timeliness, quantity, etc.) and the method for assessing contractor performance against standards, as required by Federal Acquisition Regulation (FAR) § 37.601.
3. QASPs prepared by either the government or a contractor include all work requiring surveillance and the method of surveillance, as required by FAR § 46.401.
4. CORs use all QASPs, whether contract-level or order-level, to monitor contractor compliance with the contract terms, as required by FAR §§ 1.602-2 and 1.604.
5. CORs maintain surveillance documentation of contractor performance in contract files, as required by FAR §§ 1.604 and 4.803.
6. CORs receive and maintain in the COR file documentation supporting invoice payments, as required by contract terms and the FAR.

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Cover: Herbert C. Hoover Building main entrance at 14th Street Northwest in Washington, DC. Completed in 1932, the building is named after the former Secretary of Commerce and 31st President of the United States.

Introduction

Every 10 years, the U.S. Census Bureau conducts a complete enumeration of the resident population of the United States and its territories. The effort to count every person once in their primary place of residence makes the decennial census one of the federal government's most complex and largest mobilizations.

To support the national headcount in 2020, the bureau developed the 2020 Census Integrated Partnership and Communications Program. It established the following goals for the program to achieve for the 2020 census:

- Engage and motivate people to self-respond, preferably via the Internet.
- Raise and keep awareness high throughout the entire 2020 census to encourage response.
- Support field recruitment efforts for a diverse, qualified census workforce.
- Effectively support dissemination of census data to stakeholders and the public.

To meet these goals, the communications campaign needed effective strategies and tactics to raise awareness of and motivate response to the decennial census. An integral component of the campaign was the 2020 Census Integrated Communications Contract (ICC), which the bureau awarded to Young & Rubicam (Y&R)¹ on August 24, 2016.

The ICC was composed of a master requirements contract² and 19 task orders that included the various components of the campaign. All funding was obligated at the task order level.

Our audit focused on task orders 9, 10, 15, and 18. These task orders, totaling \$436.5 million, were related to strategy, planning, and execution of the paid advertising component of the ICC. Task order 9 was a time-and-materials (T&M) type contract; the other three were hybrids of T&M, firm-fixed-price (FFP), and labor hour (LH) types.

Over \$383 million of the total amount expended on these four task orders was under the T&M contract type. Table I breaks down the T&M amounts expended.

¹ After the bureau awarded the contract, Y&R experienced several mergers, and the resulting company is now known as VML. However, for purposes of this report, we will use the name Y&R.

² According to Federal Acquisition Regulation §16.503, requirements contracts provide for “filling all actual purchase requirements of designated [g]overnment activities for supplies or services during a specified contract period (from one contractor), with deliveries or performance to be scheduled by placing orders with the contractor.”

**Table I. Paid Advertising ICC
Task Orders in Our Review**

Task Order	Expended T&M Amount
9	\$13,451,204
10	\$2,673,640 ^a
15	\$363,346,027
18	\$3,731,205
Total	\$383,202,076

Source: OIG review of ICC

^a Task order 10 includes T&M and LH contract line types.

T&M and LH contract types are a higher risk to the government than FFP contracts because T&M and LH contracts give contractors no incentive to control costs, and costs can exceed estimates if appropriate cost controls are not implemented. According to the bureau, T&M was appropriate for these orders because it was not possible to accurately estimate the extent of the work, services, or costs at the time of award.

Objective, Findings, and Recommendations

The objective of our audit was to determine whether the bureau effectively managed selected task orders related to paid advertising for the ICC to ensure desired outcomes were achieved. See appendix A for our audit's scope and methodology.

Overall, we found the bureau did not properly administer the contract or monitor the contractor's performance in compliance with federal and departmental regulations and policies. Specifically, we found the following:

- I. Contracting officers did not ensure that the task orders included the required measurable performance standards and the methods for assessing contractor performance against standards.
- II. Contracting officers' representatives (CORs) did not follow contract procedures for reviewing, approving, and using quality assurance surveillance plans (QASPs).
- III. CORs did not receive or maintain supporting documentation for paid media invoices totaling \$363 million.

Conducting and documenting contract monitoring is especially important given the high risks of T&M and LH contracts, which place cost and performance risks on the Department.

Without surveillance information and documentation in the COR files, the bureau could not ensure the contractor complied with contractual requirements. As a result, the bureau could have accepted substandard performance, potentially wasting millions of taxpayer dollars on advertising that did not fully meet program goals and reach intended audiences. In particular, the \$363 million in payments for media services represent unsupported costs because the contracting officials did not maintain the required supporting documentation in the COR files.

Addressing the issues we identified and implementing the recommendations in this report before the communications campaign for the 2030 census will help the bureau improve management and oversight of its next communications campaign contract.

I. Contracting Officers Did Not Ensure Task Orders Included the Required Measurable Performance Standards and Methods for Assessing Contractor Performance Against Standards

For performance-based contracts for services, Federal Acquisition Regulation (FAR) § 37.601 requires measurable performance standards (quality, timeliness, quantity, etc.) for the contractor as well as a method for assessing contractor performance against those standards. We found that the task orders in our review included neither the standards nor the bureau program management office's method of assessment.

As previously noted, three of the task orders in our review were hybrids of FFP, T&M, and LH contracts, and one was T&M (see table I). Because of the high risk associated with

T&M and LH contracts, FAR § 16.601(c)(1) requires appropriate government monitoring of contractor performance to give reasonable assurance that efficient methods and effective cost controls are being used and that the contractor is performing in accordance with the statement of work.

Two ways to ensure appropriate monitoring of contractor performance are for the government to (1) include measurable performance standards in the contract, as well as the method for assessing contractor performance against those standards and (2) use a QASP. However, neither of these occurred for the task orders in our review because, as discussed in greater detail later in this report, the bureau's contracting officers and program officials did not follow FAR § 37.601 and *Commerce Acquisition Manual (CAM)* 1316.1 § 5.3.b when awarding and administering the task orders.

Without measurable performance standards and assessment methods in the task orders, the contractor could not develop an adequate QASP to provide reasonable assurance that it used efficient methods and effective cost controls throughout the life of the contract and was performing in accordance with the statement of work. Contrary to FAR § 46.401(a) and CAM 1316.1 § 5.3.b, the QASPs prepared for each task order did not specify all work requiring surveillance, including the method of surveillance.

Recommendations

We recommend that the Director of the U.S. Census Bureau ensure that:

1. Acquisition personnel, contracting officers, and CORs administer and execute contracts and task orders in accordance with federal regulations and department requirements.
2. Contracts and task orders include measurable performance standards (quality, timeliness, quantity, etc.) and the method for assessing contractor performance against standards, as required by FAR § 37.601.

II. Contracting Officers' Representatives Did Not Follow Contract Procedures for Reviewing, Approving, and Using Quality Assurance Surveillance Plans

We found that the bureau's CORs did not follow the contract language to review and approve the QASPs for task orders 9, 10, 15 and 18. The contract-level QASP, which the bureau approved, outlined the following requirements for developing, reviewing, and accepting task-order-level QASPs between the contractor and the government:

- Each task order was expected to establish and monitor an order-level QASP that would be initiated when the order was awarded.
- Following the distribution of the award and an order-specific kickoff meeting, the Y&R order manager was to develop the order-level QASP, which was required to meet the order's established quality standards.

- Following review, the Y&R program management office was to post the order-level QASP to the ICC SharePoint site for the bureau order manager's review no more than 20 business days after the order kickoff.
- The bureau's order manager was to review the order-level QASP to verify that it complied with the bureau's order-specific quality requirements.
- After posting the order-level QASP to the ICC SharePoint site and addressing any necessary revisions based on feedback from the bureau, the bureau's order manager was to provide written acceptance of the order-level QASP to the Y&R order manager, who would then begin executing the contract against the requirements.

The contract-level QASP, which the bureau accepted, specified that there would be QASPs for the individual task orders. However, when we asked the COR of the requirements contract why they did not review the order-level QASPs, the COR responded that delivering order-level QASPs was the contractor's initiative and part of their established process, not a requirement from the government. The COR said that QASPs for individual task orders were never required as deliverables and that only the contract-level QASP was required.

In addition, the CORs told us they did not use the QASPs to monitor contract performance because they did not consider them contract deliverables. Even if the CORs had used the order-level QASPs that the contractor created, we found that the QASPs did not include (1) all work requiring surveillance, as reflected in the performance work statement covering the media planning and buying services, and (2) the methods and metrics for monitoring the contractor's performance. Although FAR § 46.401(a) does not distinguish between contract-level and order-level QASPs, it states that QASPs should specify all work requiring surveillance, including the method of surveillance.

Despite not using the order-level QASPs, the CORs stated that they did monitor contracts using methods such as review of spend plans, weekly status reports, review of contract deliverables, interim performance reporting, and emails explaining issues that needed to be addressed. However, such limited monitoring provides no assurance that they monitored all work that required surveillance or had an appropriate method of surveillance to attest that the contractor had complied with the contractual requirements. Additionally, CORs maintained limited documentation to substantiate the monitoring they said they did or to determine that they performed adequate surveillance.

To further compound the surveillance issue, CORs described conducting surveillance that occurred on a day-to-day basis but could provide no formal plan for or documentation of the surveillance. It should be clearly noted that the FAR and the CAM do not refer to day-to-day surveillance when delineating surveillance requirements.

A COR is typically responsible for monitoring a contractor's performance. When that performance is not properly monitored and documented, the risk increases that fraud, waste, and abuse will go undetected. Thus, without documenting surveillance, the Department cannot have reasonable assurance that it is receiving appropriate value for the dollars it expended or that the work even occurred.

Recommendations

We recommend that the Director of the U.S. Census Bureau ensure that:

3. Quality assurance surveillance plans prepared by either the government or a contractor include all work requiring surveillance and the method of surveillance, as required by FAR § 46.401.
4. CORs use all QASPs, whether contract-level or order-level, to monitor contractor compliance with the contract terms, as required by FAR §§ 1.602-2 and 1.604.
5. CORs maintain surveillance documentation of contractor performance in contract files, as required by FAR §§ 1.604 and 4.803.

III. Contracting Officers' Representatives Did Not Receive or Maintain Supporting Documentation for Paid Media Invoices Totaling \$363 Million

According to expenditure reports, the bureau paid the contractor about \$363 million. However, the bureau lacked documentation to support whether payments made to the contractor were warranted. Therefore, we consider the costs related to these invoices—a total amount of \$363 million—to be unsupported (see appendix B).

Under the FAR³ and the contract, the government will not pay a contractor until the contractor submits vouchers for the approval of the contracting officer (or an authorized representative). The contractor must substantiate the vouchers with other supporting documentation for media buys approved by the contracting officer. The contract also states that the contractor must give the COR original vouchers or invoices, which must also be accompanied by appropriate cost-related documentation or other preapproved proof-of-performance documents.⁴ In addition, FAR § 4.801 requires the head of each office with contracting, contract administration, or contract payment functions to establish files containing the records of all contract actions. Missing documentation in COR files is an indication of questionable contract management and oversight practices.

We found that CORs did not maintain proof-of-performance documentation in the COR files for paid media invoices related to task order 15⁵ and, at the time of the audit, cannot support whether payments made to the contractor were warranted. Instead, contrary to the FAR and the contract, the contractor maintained the only set of supporting documentation. Without supporting documentation, the bureau does not have reasonable assurance that it received appropriate value for dollars expended.

For example, we reviewed a paid advertising effort involving pizza delivery boxes that illustrates the importance of maintaining proof-of-performance records and conducting

³ FAR § 52.232-7: *Payments under Time-and-Materials and Labor-Hour Contracts.*

⁴ Proof-of-performance documentation includes all cost-related records, such as affidavits, tear sheets, or other advertising industry standard documents.

⁵ Payments were specifically for line item 2 of the task order.

surveillance to ensure contract outcomes are achieved. In the early days of the COVID-19 pandemic, stay-at-home orders and social distancing became the norm, and pizza delivery orders increased substantially. To leverage this advertising opportunity to reach certain target audiences, the bureau authorized \$925,000 in May 2020 to create and print English- and Spanish-language flyers that local and national pizza chains affixed to the tops of their delivery boxes. The bureau later authorized another \$1,325,000 for flyers to target everyone who consumes English-language media, regardless of race or ethnicity, for a total of \$2,250,000. Figure I is an example of the flyers.

**Figure I. Example of Paid Advertisement:
Pizza Box Flyer**



Source: Census Bureau, 2020 census ICC recap presentation to the National Advisory Committee, November 4, 2021

Although the bureau had approved the use of the flyers, the bureau's program management office could not provide supporting documentation that the flyers had been delivered in ZIP codes where the intended audiences resided and thus were an effective use of funds. The COR assigned to oversee this effort acknowledged that the contractor had the documentation for the invoice and that it was not in the COR file.

The CORs did not retain this documentation because a bureau acquisition official told the program management office that the contractor could maintain the documentation and simply make it available if an audit occurred. The contractor did offer to provide backup documentation to the bureau, but the bureau official said there was no need to do so. The FAR and the contract state, however, that the COR files must contain vouchers or invoices along with documentation to support contract actions.

Recommendation

We recommend that the Director of the U.S. Census Bureau ensure that:

6. CORs receive and maintain in the COR file documentation supporting invoice payments, as required by contract terms and the FAR.

Summary of Agency Response and OIG Comments

On April 23, 2024, we received the bureau's response to our draft report. In its response, the bureau concurred with all six of our recommendations, described actions it has taken or will take to address them, and provided general comments about the unprecedented events it faced when encouraging self-response to the 2020 census. The bureau's complete response to our draft report is included as appendix C.

A statement in the bureau's response—that the contractor was not forthcoming with access to contract records—raises a concern we were unaware of until reading the response. If the bureau asked the contractor for records on our behalf but did not receive them, the contractor's lack of response underscores the bureau's need to improve its contract monitoring and document retention.

We are pleased that the bureau recognizes our findings are valid and concurs with our recommendations. We look forward to receiving the bureau's action plan for implementing the recommendations.

Appendix A: Objective, Scope, and Methodology

The objective of our audit was to determine whether the bureau effectively managed selected task orders related to paid advertising for the 2020 census ICC to ensure desired outcomes were achieved. To accomplish our objective, we:

- reviewed the FAR and the CAM to identify rules and regulations pertaining to contract monitoring;
- reviewed the 2020 census ICC master contract and task orders related to paid advertising, to include surveillance documentation;
- interviewed bureau personnel responsible for contract monitoring related to paid advertising to understand their responsibilities for contract management; and
- obtained documentation to verify whether the selected contract task orders include measurable performance standards that support assessing whether the contract outcomes were achieved.

We learned about the internal control processes significant to the audit objective by interviewing key bureau staff and reviewing documentation for evidence that internal control activities had been performed. Based on our review, we identified and reported on instances related to internal control over documentation. Although we identified and reported on internal control deficiencies, our audit found no incidents of fraud, illegal acts, or abuse.

During the audit, we obtained computer-processed data from public-facing websites. Our analysis relied on information and data that was used for widely accepted purposes and was obtained from sources generally recognized as appropriate. In our judgment and based on the U.S. Government Accountability Office's data reliability criteria,⁶ it is neither practical nor necessary to conduct a data reliability assessment. We obtained 2020 census financial information and worked with the bureau's Finance Division to determine paid media obligations and expenditures.

We conducted our audit from April 2022 through July 2023 under the authority of the Inspector General Act of 1978, as amended (5 U.S.C. §§ 401-24), and Department Organization Order 10-13, as amended October 21, 2020. We performed our work remotely.

We conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

⁶ Government Accountability Office, December 2019. Applied Research and Methods. *Assessing Data Reliability*, GAO-20-283G, Washington, DC: GAO.

Appendix B: Potential Monetary Benefits

Finding and Recommendation	Questioned Costs	Unsupported Costs ^a
Finding III Recommendation 6	\$363,083,441	\$363,083,441
Total	\$363,083,441	\$363,083,441

^a The term *unsupported costs* refers to costs we are questioning because they were not supported by adequate documentation at the time of the audit (5. U.S.C. § 405(a)(7)).

Appendix C: Agency Response

The bureau's response to our draft report follows on p. 12.



UNITED STATES DEPARTMENT OF COMMERCE
U.S. Census Bureau
Office of the Director
Washington, DC 20233-0001

April 23, 2024

MEMORANDUM FOR: Arthur L. Scott Jr.
Assistant Inspector General
For Audit and Evaluation
Office of Inspector General

From: Robert L. Santos 
Director
U.S. Census Bureau

Subject: U.S. Census Bureau's Response to the Office of the Inspector General's Draft Report: *"The Census Bureau Did Not Effectively Manage and Monitor Contractor Performance for Paid Advertising in the 2020 Integrated Communications Contract"*

Thank you for the opportunity to provide comments to the Office of Inspector General's draft report titled, *"The Census Bureau Did Not Effectively Manage and Monitor Contractor Performance for Paid Advertising in the 2020 Integrated Communications Contract"* dated March 27, 2024. The U.S. Census Bureau respectfully submits the attached comments.

Attachment

U.S. Census Bureau Comments on the Office of Inspector General’s Report: “*The Census Bureau Did Not Effectively Manage and Monitor Contractor Performance for Paid Advertising in the 2020 Integrated Communications Contract.*”

General Comments:

The U.S. Census Bureau appreciates the opportunity to comment on this draft report and its recommendations regarding the effective management and monitoring of contractor performance. The findings in this report are valid. The Census Bureau would like to offer in addition a summary of the overwhelming success of this effort against unprecedented odds.

The 2020 Census was the first to invite all households to respond online. Meanwhile, the Census Bureau’s communications surrounding self-response was set against the backdrop of a global pandemic, a divisive political landscape, nationwide protests for racial justice, national disasters from hurricanes to wildfires, and more.

The 2020 Census Integrated Communication Contract (ICC) increased awareness of the census and encouraged self-response through a variety of communication channels, successfully pivoting to use innovative communication techniques in lieu of in-person local and national activities.

FINDING 1: Contracting Officers Did Not Ensure Task Orders Included the Required Measurable Performance Standards and Methods for Assessing Contractor Performance Against Standards.

RECOMMENDATION 1: Acquisition personnel, contracting officers, and CORs administer and execute contracts and task orders in accordance with federal regulations and department requirements.

CENSUS BUREAU RESPONSE: We concur with this recommendation. As an agency, the Census Bureau continuously seeks opportunities to improve the administration and execution of our contracts. This is reflected in our successful administration and execution of a multitude of contracts in accordance with the FAR and Department of Commerce requirements. We will work with our Acquisition personnel, Contracting Officers, and CORs to continually improve how we do this, including additional training, and more stringent internal oversight, as necessary.

RECOMMENDATION 2: Contracts and task orders include measurable performance standards (quality, timeliness, quantity, etc.) and the method for assessing contractor performance against standards, as required by FAR § 37.601.

CENSUS BUREAU RESPONSE: We concur with this recommendation. The Census Bureau will ensure the inclusion of measurable performance standards and the method for assessing

contractor performance against those standards when said standards are available at contract/order award and as identified after contract/order award, as required by FAR § 37.601.

FINDING 2: Contracting Officers' Representative (COR) Did Not Follow Contract Procedures for Reviewing, Approving, and Using Quality Assurance Plans.

RECOMMENDATION 3: Quality assurance surveillance plans prepared by either the government or a contractor include all work requiring surveillance and the method of surveillance, as required by FAR § 46.401.

CENSUS BUREAU RESPONSE: We concur with this recommendation. Future contracts will clearly document all work requiring surveillance and identify the method for surveillance of that work, as required by FAR § 46.401.

RECOMMENDATION 4: CORs use all QASPs, whether contract-level or order-level, to monitor contractor compliance with the contract terms, as required by FAR §§ 1.602 and 1.604.

CENSUS BUREAU RESPONSE: We concur with this recommendation. The Census Bureau will provide necessary training to all CORs regarding appropriate procedures for reviewing, approving, and using Quality Assurance Plans to monitor contractor compliance with the contract terms, as required by FAR §§ 1.602 and 1.604.

RECOMMENDATION 5: CORs maintain surveillance documentation of contractor performance in contract files, as required by FAR §§ 1.604 and 4.803.

CENSUS BUREAU RESPONSE: We concur with this recommendation. As part of the training CORs receive regarding appropriate procedures for reviewing, approving, and using QASPs, templates will be provided for inclusion in the contract files, providing a consistent method for documenting contractor performance across all aspects of each contract.

FINDING 3: CORs did not receive or maintain supporting documentation for paid media invoices totaling \$363 million.

RECOMMENDATION 6: CORs receive and maintain in the COR file documentation supporting invoice payments, as required by contract terms and FAR.

CENSUS BUREAU RESPONSE: We concur with this recommendation. The Paid Media Order (OR15) under the Integrated Communications Contract specifically states in Section C.4.7, *“The contractor shall obtain and maintain on file, all cost-related records, including affidavits, tear-sheets, or other advertising industry standard proof-of-performance documents for review by the Census Bureau and for purposes of audit as required by the master contract and other Federal statutes. These records shall be maintained for five (5) years or through contract closeout, whichever comes first. No items shall be destroyed or discarded without the prior approval of the Contractor Officer’s Representative (COR).”*

Unfortunately, during this audit, the contractor was not forthcoming with access to this information when requested by the Inspector General, despite the requirement in the contract. Moving forward, in addition to the inclusion of this requirement in future communications contracts involving paid media, we will include a specific deliverable that provides all paid media invoice documentation on a portable storage unit. This way of maintaining paid media invoice documentation will provide the Census Bureau with a manageable way of maintaining the required files while also providing access should it be necessary for review during any internal/external audits.

REPORT

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