

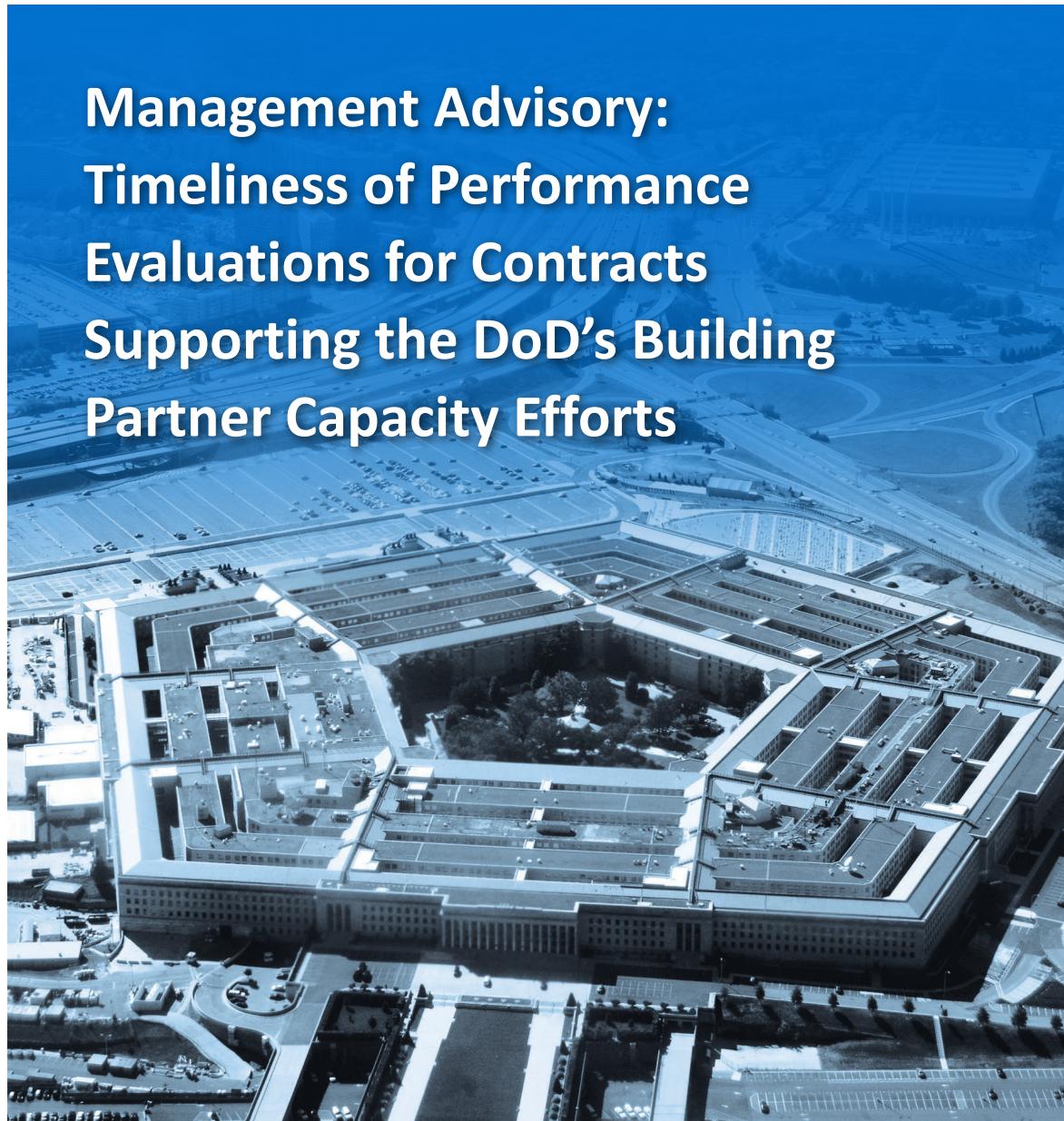


INSPECTOR GENERAL

U.S. Department of Defense

MARCH 28, 2025

Management Advisory: Timeliness of Performance Evaluations for Contracts Supporting the DoD's Building Partner Capacity Efforts



INDEPENDENCE ★ INTEGRITY ★ EXCELLENCE ★ TRANSPARENCY





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

March 28, 2025

**MEMORANDUM FOR DIRECTOR, WASHINGTON HEADQUARTERS SERVICES
DIRECTOR, DEFENSE SECURITY COOPERATION AGENCY**

SUBJECT: Management Advisory: Timeliness of Performance Evaluations for Contracts Supporting the DoD's Building Partner Capacity Efforts (Report No. DODIG-2025-080)

This final management advisory provides the results of the DoD Office of Inspector General's review. We previously provided copies of the draft advisory and requested written comments on the recommendations. We considered management's comments on the draft advisory when preparing the final advisory. These comments are included in the advisory.

Management took action sufficient to address six of eight recommendations in this advisory, and we consider the recommendations closed. We consider the two remaining recommendations resolved and open. We will close these recommendations when the Director, Washington Headquarters Services, and the Director, Defense Security Cooperation Agency, provide us documentation showing that all agreed-upon actions to implement the recommendations are completed. Therefore, please provide us within 90 days your response concerning specific actions in process or completed on the recommendations. Send your response to either [REDACTED] if unclassified or [REDACTED] if classified SECRET.

We appreciate the cooperation and assistance received during the audit. If you have any questions, please contact me at [REDACTED].

Richard B. Vasquez
Assistant Inspector General for Audit
Readiness and Global Operations



Introduction

Objective

On May 22, 2023, the DoD OIG announced the “Audit of the DoD’s Efforts to Build Partner Capacity in the U.S. Indo-Pacific Command (USINDOPACOM) Area of Responsibility.”¹ The objective of the audit is to determine whether the DoD established program objectives, met performance metrics, developed an assessment framework, and met congressional reporting requirements for the effective execution of building partner capacity activities within the USINDOPACOM area of responsibility in accordance with laws and DoD regulations.

During the audit we determined that performance evaluations were not completed for contractors supporting the security cooperation assessment, monitoring, and evaluation (AM&E) program in accordance with Federal Acquisition Regulation (FAR) Subpart 42.15.² This management advisory focuses on the DoD’s noncompliance with the FAR requirement for recording and maintaining contractor performance information. Specifically, we determined that the Washington Headquarters Services (WHS) contracting officer for the Management Systems International, Inc. (MSI, Inc.) and Science Applications International Corporation (SAIC) contracts did not complete contractor performance evaluations within the 120-day reporting requirement for the 5 periods of performance for the MSI, Inc. contract and the 12 periods of performance for the two SAIC contracts.

Background

The Defense Security Cooperation Agency’s (DSCA’s) mission is to advance U.S. defense and foreign policy interests by building the capacity of foreign partners to encourage and enable allies and partners to respond to shared challenges. The DSCA represents the interests of the Secretary of Defense and the Office of the Under Secretary of Defense for Policy in security cooperation matters and is tasked with directing, administering, and executing many security cooperation programs, developing security cooperation policy, and providing DoD-wide security cooperation guidance. In collaboration with the Office of the Deputy Assistant Secretary of Defense for Global Partnerships, the DSCA provides AM&E technical assistance to the geographic combatant commands.

¹ DoD OIG Project No. D2023-D000RM-0119.000, “Audit of the DoD’s Efforts to Build Partner Capacity in the U.S. Indo-Pacific Command Area of Responsibility,” announced on May 22, 2023.

² FAR Part 42, “Contract Administration and Audit Services,” Subpart 42.15, “Contractor Performance Information,” Section 42.1500, “Scope of Subpart,” provides policies and establishes responsibilities for recording and maintaining contractor performance information. DoD Instruction 5132.14, “Assessment Monitoring, and Evaluation Policy for the Security Cooperation Enterprise, January 13, 2017,” states that the primary purposes of AM&E are accountability and learning and that these purposes should guide efforts to leverage security cooperation more effectively in support of defense objectives. It further states that AM&E should help the DoD understand what security cooperation methods work and why, and apply lessons learned and best practices to inform security cooperation resources and policy decisions. It also states that AM&E should provide indications of returns on investment and allow policymakers to identify and improve or eliminate ineffective security cooperation.

The DoD relies on contractors to provide subject matter expertise and support in conducting AM&E of building partner capacity efforts. AM&E contractors are tasked to provide assessment and monitoring subject matter expertise support services to the Office of the Under Secretary of Defense for Policy, DSCA, geographic combatant commands, and other security cooperation stakeholders. Specifically, AM&E contract personnel are embedded at the geographic combatant commands, where they are tasked to support security cooperation planning and oversight, including the development of security cooperation proposals with assessments and initiative design documents, monitoring plans, and monitoring reports.³ The DSCA used contracts with MSI, Inc. and SAIC for the provision of AM&E support to the geographic combatant commands from FY 2019 through FY 2025 and FY 2017 through FY 2023, respectively.⁴ The WHS is the contracting activity that awarded and administered the MSI, Inc. and SAIC contracts and associated task orders.

According to FAR 42.1501(a), contractor performance information is relevant for source-selection purposes. Additionally, FAR 42.1501(b) states:

Agencies shall monitor their compliance with the past performance evaluation requirements and use the Contractor Performance Assessment Reporting System (CPARS) metric tools to measure the quality and timely reporting of past performance information. CPARS is the official source of past performance information for contractors.

According to FAR 42.1502(a), CPARS must be used to record information on the contractor's performance on an annual basis.

According to the FAR, agencies record the contractor's performance information in the performance assessment report, which includes the contractor's record of:

- “conforming to requirements and to standards of good workmanship;”
- “forecasting and controlling costs;”
- “adherence to schedules, including the administrative aspects of performance;”
- “reasonable and cooperative behavior and commitment to customer satisfaction;”
- “reporting into databases;”
- “integrity and business ethics;” and
- “business-like concern for the interest of the customer.”⁵

³ DoD Instruction 5132.14 states that assessments are required for all significant security cooperation initiatives to inform the initiative design and establish a baseline against which to track progress.

⁴ Under contract HQ0034-19-D-0025, the DoD awarded task order HQ0034-19-F-0764, on September 30, 2019, with the period of performance beginning on February 13, 2020, and options exercised to February 12, 2025. This is a non-personal services contract with the task order consisting of firm-fixed-price and labor-hour, contract line-item numbers. As of the June 5, 2024 modification, this task order contained a total funded amount of \$50.2 million.

Using the terms and conditions in blanket purchase agreement HQ0034-15-A-0019, the DoD awarded task order HQ0034-17-F-0556, on September 30, 2017, with the period of performance options exercised to March 29, 2023. This is a non-personal services contract with the task order consisting of firm-fixed-price and time-and-material contract line-item numbers. As of the September 22, 2022 modification, this task order contained a total funded amount of \$32.2 million. To extend these services, under contract GS-QOF-002CA, the DoD awarded task order HQ0034-23-F-0150, on March 30, 2023, with the period of performance options exercised on September 29, 2023. As of the September 20, 2023 modification, this task order contained a total funded amount of \$2.6 million.

⁵ FAR 42.1501, “General.”

According to FAR 12.206, contractors' past performance should be an important element of every evaluation and contract award for commercial products and commercial services.⁶ FAR 9.103(a) states, "Purchases shall be made from, and contracts shall be awarded to, responsible prospective contractors only."⁷ The standards determining whether a contractor is responsible is detailed in the FAR, which includes a description of a responsible, prospective contractor as having a satisfactory performance record and a satisfactory record of integrity and business ethics.⁸

DoD guidance for CPARS states that the responsibility for completing quality performance evaluations in a timely manner rests with the assessing official who will be designated in accordance with agency policy.⁹ The guidance also establishes that the assessing official may be a contracting officer, contract specialist, administrative contracting officer, purchasing agent, or program manager, or the equivalent individual responsible for program, project, or task order execution. The guidance further states that in some agencies, the assessing official may also be the performance evaluator, quality assurance evaluator, requirements indicator, or contracting officer's representative (COR), or alternate COR.

The current AM&E contract oversight framework for the MSI, Inc. and SAIC contracts consists of a single WHS contracting officer overseeing two DSCA CORs, one per contractor. According to the FAR, the COR assists in the technical monitoring or administration of a contract and maintains a file for each assigned contract.¹⁰ According to the DSCA SAIC COR, before the establishment of the COR team at the DSCA in 2019, oversight for the AM&E contracts was solely the responsibility of the WHS contracting officer.

Contractor Performance Evaluations Not Completed in a Timely Manner

DoD officials did not complete performance evaluations in a timely manner for three contracts, totaling \$85 million, for AM&E support to the geographic combatant commands in accordance with the FAR. Specifically, we reviewed the CPARS database for performance evaluations of the MSI, Inc. and SAIC contracts, to include associated task orders supporting the AM&E of building partner capacity in the USINDOPACOM area of responsibility and determined that the WHS contracting officer did not complete performance evaluations as required by the FAR.

FAR 42.1502(a) states, "Past performance evaluations shall be prepared at least annually and at the time the work under a contract or task order is completed."¹¹ Additionally, DoD guidance for CPARS states that all performance evaluations are due within 120 calendar

⁶ FAR 12.206, "Use of Past Performance."

⁷ FAR 9.103, "Policy."

⁸ FAR 9.104-1(c) and FAR 9.104-1(d), "General Standards."

⁹ U.S. General Services Administration, "Guidance for the Contractor Performance Assessment Reporting System," July 2024.

¹⁰ FAR 1.604, "Contracting Officer's Representative (COR)."

¹¹ FAR 42.1502, "Policy," paragraph (a).

days after the end of the evaluation period.¹² However, the WHS contracting officer for the MSI, Inc. and SAIC contracts did not comply with the 120-day reporting requirement for the 5 periods of performance for the MSI, Inc. contract and the 12 periods of performance for the two SAIC contracts.

DoD Officials Did Not Complete Timely Performance Evaluations for the MSI, Inc. Contract

We reviewed the CPARS database for performance evaluations for the MSI, Inc. contract HQ0034-19-D-0025 and associated task order HQ0034-19-F-0764. We identified three performance evaluations submitted by the WHS contracting officer after the 120-day requirement. Specifically, the WHS contracting officer submitted the performance evaluations for the base year, option year 1, and a single evaluation for option years 2 and 3; 49, 90, 677, and 312 days after the 120-day requirement, respectively.

The WHS contracting officer submitted the single evaluation for the period of February 13, 2021, through February 12, 2023, for a 2-year period that covered option years 2 and 3. However, FAR 42.15 requires an annual past performance evaluation.¹³ As of August 31, 2024, the WHS contracting officer had not submitted the performance evaluation for option year 4. Table 1 summarizes the MSI, Inc. performance evaluations for the contract.

Table 1. MSI, Inc. Performance Evaluations for Contract HQ0034-19-D-0025

Period of Performance	Inclusive Dates	Contractor Evaluation Report Due Date ¹	Actual Contractor Evaluation Report Completion Date	Days Past Due ²
Base Year	09/30/2019 - 09/28/2020 ³	1/26/2021	3/16/2021	49
Option 1	02/13/2020 - 02/12/2021 ⁴	6/12/2021	9/10/2021	90
Option 2	02/13/2021 - 02/12/2022 ^{4,5}	6/12/2022	4/19/2024	677
Option 3	02/13/2022 - 02/12/2023 ^{4,5}	6/12/2023	4/19/2024	312
Option 4	02/13/2023 - 02/12/2024 ⁴	6/11/2024	<i>Not completed</i>	81

¹ Contractor performance evaluations are due 120 days after the end of the performance period.

² Number of days the contractor performance evaluation was past due based on 120-day requirement as of August 31, 2024.

³ Initial evaluation reporting period as reflected in CPARS.

⁴ Periods of performance as reflected on subsequent task orders.

⁵ A single evaluation was submitted for the period of February 13, 2021, through February 12, 2023, which covers option 2 and 3.

Source: The DoD OIG, based on a review of CPARS information.

¹² U.S. General Services Administration, "Guidance for the Contractor Performance Assessment Reporting System," July 2024.

¹³ FAR 42.1502, "Policy," paragraph (a).

The WHS contracting officer provided a January 2020 designation letter, that delegated responsibility for completion of the CPARS performance evaluations to the DSCA COR for the MSI, Inc. contract. The designation required the DSCA COR to collect and report contractor performance information, including maintaining a file with performance notes and completing the performance evaluation within 30 calendar days after the end of the assessment period. Additionally, according to the WHS contracting officer, the 2022 and 2023 CPARS performance evaluations had not been completed in a timely manner because the previous DSCA COR departed without completing the performance evaluation.

DoD Officials Did Not Complete Performance Evaluations for the SAIC Contracts

For the periods of performance September 30, 2017, through March 29, 2023, for the SAIC contract HQ0034-15-A-019 and associated task order HQ-0034-17-F-0556, the WHS contracting officer completed one CPARS evaluation for the period of performance September 30, 2017, through September 29, 2018. Additionally, we did not identify evaluations for the remaining periods of the contract. The WHS contracting officer provided a May 2023 designation letter, which delegated responsibility for completion of the CPARS performance evaluations to the DSCA COR for the SAIC contract.

The designation letter required the DSCA COR to complete the CPARS performance evaluations and maintain related records in the surveillance and performance monitoring module of the Procurement Integrated Enterprise Environment, as well as provide a copy of all documentation and correspondence to the WHS contracting officer.¹⁴ The designation letter further stated that the DSCA COR was responsible for documenting contractor performance in CPARS and must complete other CPARS assessments as required throughout the life of the contract, usually every 12 months and at the end of contract performance. However, five of six SAIC performance evaluations had not been completed as of August 31, 2024, including an evaluation at the completion of the contract. Table 2 summarizes the SAIC performance evaluations for the contract.

¹⁴ The Procurement Integrated Enterprise Environment is the primary enterprise procure-to-pay application for the DoD and its supporting agencies. It gives the COR tools to effectively manage contracts throughout the life cycle.

Table 2. SAIC Performance Evaluations for Contract HQ0034-15-A-0019

Period of Performance	Inclusive Dates	Contractor Evaluation Report Due Date ¹	Actual Contractor Evaluation Report Completion Date	Days Past Due ²
Partial	09/30/2017 - 11/29/2017	1/27/2019	6/6/2019	130
Base Year	11/30/2017 - 9/29/2018			
Option 1	9/30/2018 - 9/29/2019 ³	1/27/2020	<i>Not completed</i>	1678
Option 2	9/30/2019 - 9/29/2020 ³	1/27/2021	<i>Not completed</i>	1312
Option 3	9/30/2020 - 9/29/2021 ³	1/27/2022	<i>Not completed</i>	947
Option 4	9/30/2021 - 9/29/2022 ³	1/27/2023	<i>Not completed</i>	582
Option 5	9/30/2022 - 2/28/2023 ⁴	7/27/2023	<i>Not completed</i>	401
	3/1/2023 - 3/29/2023 ⁴			

¹ Contractor performance evaluation reports are due 120 days after the end of the performance period.

² Number of days the contractor performance evaluation was past the 120-day requirement as of August 31, 2024.

³ Periods of performance revised in follow-on contract modification.

⁴ Task order was modified to further extend the dates indicated.

Source: The DoD OIG, based on a review of CPARS information.

The WHS issued an order against General Services Administration contract GS-00F-002CA and associated task order HQ0034-23-F-0150 to SAIC, which enabled the WHS contracting officer to extend the period of performance for the same scope of work. Specifically, the contract was exercised in a 6-month period from March 30, 2023, through September 29, 2023. In accordance with FAR 42.15, an evaluation should be performed at the time the work under a contract or task order is completed.¹⁵ However, the performance evaluation following completion of performance under the last option period exercised for the follow-on SAIC contract had not been completed as of August 31, 2024. Table 3 summarizes the SAIC performance evaluation for periods of performance for the subsequent follow-on contract.

¹⁵ FAR 42.1502, "Policy," paragraph (a).

Table 3. SAIC Performance Evaluations for Contract GS-00F-002CA

Period of Performance	Inclusive Dates	Contractor Evaluation Report Due Date ¹	Actual Contractor Evaluation Report Completion Date	Days Past Due ²
Option 1	3/30/2023 - 6/29/2023	1/27/2024	<i>Not completed</i>	217
Option 2	6/30/2023 - 7/29/2023 ³			
Option 3	7/30/2023 - 8/29/2023 ³			
Option 4	8/30/2023 - 9/29/2023 ³			

¹ Contractor performance evaluations are due 120 days after the end of the performance period.

² Number of days the contractor performance evaluation was past the 120-day requirement as of August 31, 2024.

³ Task order was modified to further extend the dates indicated.

Source: The DoD OIG, based on a review of CPARS information.

Lack of Continuity and Adequate Staffing for MSI, Inc. and SAIC Contract Oversight

DoD officials did not provide effective oversight of the MSI, Inc. contract and the two SAIC contracts. According to the MSI, Inc. contract's quality assurance surveillance plan, the DSCA COR is required to provide an annual performance assessment to the WHS contracting officer for use in documenting past contractor performance. Furthermore, the WHS contracting officer, as the assessing officer, is responsible for documenting their final assessment of contractor performance in CPARS for each period of performance as required by FAR 42.15 and the DoD guidance for CPARS.¹⁶

According to the WHS contracting officer, the outstanding contractor performance evaluations were not performed in a timely manner due to turnover in the contracting officer and the DSCA COR positions. Furthermore, the previous DSCA COR did not submit the MSI, Inc. option years 2 and 3 annual performance assessments, which was required in order for the WHS contracting officer to complete the performance evaluations. WHS officials could not explain why the contractor performance evaluations during the previous DSCA COR's tenure were not completed in a timely manner. Therefore, the WHS should direct the contracting officer to complete the outstanding contractor performance evaluation required for the MSI, Inc. contract and submit the performance evaluation in CPARS. Furthermore, the WHS should direct the contracting officer to verify completion of designated monitoring and evaluation responsibilities for AM&E contracts by the DSCA COR are being followed to meet the 120-day submission deadline for performance evaluations. Additionally, the DSCA should direct the

¹⁶ FAR 42.1502, "Policy," paragraph (a).

FAR 42.1503, "Procedures," paragraph (f).

U.S. General Services Administration, "Guidance for the Contractor Performance Assessment Reporting System," July 2024.

assigned COR to complete the outstanding contractor evaluation narratives for the MSI, Inc. contract and submit the performance evaluation narratives to the contracting officer to facilitate the completion and submission of the performance evaluations in CPARS.

According to the DSCA COR, the WHS contracting officer sent the delegated COR a monthly “overdue list” of outstanding deliverables, including the contractor performance evaluations. Despite this effort to oversee the completion of the contractor performance evaluations, WHS officials did not conduct follow-up actions or hold the DSCA CORs accountable for complying with the requirements of the COR designation letter. The DSCA COR explained that the DSCA is developing internal procedures to implement controls to ensure the timely execution of tasks listed on the WHS overdue list, including the outstanding contractor performance evaluations. Therefore, the DSCA should implement controls to verify the completion of outstanding tasks appearing on the WHS contracting officer’s monthly “overdue” report to monitor timely receipt of COR narratives. Furthermore, the DSCA should initiate a review of the MSI, Inc. and SAIC COR’s actions for failing to complete the outstanding tasks appearing on the WHS contracting officer’s monthly “overdue” report to include the timely completion of the COR narratives, and as appropriate, initiate administrative action.

Additionally, the DSCA COR attributed the untimely completion of the contractor performance evaluations to turnover of COR responsibilities from the WHS to the DSCA. The DCSA COR explained that before 2019, the COR team at the DSCA was not yet established, and the WHS contracting officer was responsible for completing the contractor performance evaluations at that time. However, the DSCA COR stated the DSCA did not have access to the WHS files to complete all the outstanding contractor performance narratives before 2019 and that those evaluations are the WHS’ responsibility to complete. WHS officials did not explain why the option year 1 SAIC contractor performance evaluation was not completed. Therefore, the WHS should direct the contracting officer to complete the outstanding contractor performance evaluations required for the SAIC contracts and submit the performance evaluations in CPARS.

The DSCA COR also attributed the delay of the recent MSI, Inc. and SAIC performance evaluations to the COR team being short-staffed, which increased the DSCA COR’s workload and made timely completion of the performance evaluations challenging. The DSCA COR stated that the DSCA is building up the COR team. However, the DSCA should direct the assigned COR to complete the outstanding contractor evaluation narratives for the SAIC contracts and submit the performance evaluation narratives to the contracting officer to facilitate the completion and submission of the performance evaluations in CPARS. Additionally, the WHS should initiate a review of the contracting officer’s actions for failing to meet the 120-day submission deadline for performance evaluations in violation of the FAR, and as appropriate, initiate administrative and corrective action.

Conclusion

Complete and timely performance evaluations inform procurement decisions to ensure that the U.S. Government does business with contractors that provide quality products and services and that the Government selects the most qualified contractors for future awards. As stated in the FAR a contractor's past performance is relevant for future source-selection purposes.¹⁷ Failure to prepare performance evaluations in a timely manner undermines the WHS contracting officer's ability to rely on CPARS contractor performance evaluations, creating a risk of awarding contracts to poorly performing contractors. The MSI, Inc. and SAIC contracts support building partner capacity efforts globally, therefore this risk extends to AM&E efforts across all geographic combatant commands. Because MSI, Inc. and SAIC are eligible for contract awards, it is critical that the WHS contracting officer submit accurate, complete, and timely performance information in CPARS. Doing so will help ensure that the U.S. Government does business only with companies that provide quality products and services in support of the agency's missions.

Recommendations, Management Comments, and Our Response

Recommendation 1

We recommend that the Director, Washington Headquarters Services:

- a. **Direct the contracting officer to complete the outstanding contractor performance evaluation required for the Management Systems International, Inc., contract and submit the performance evaluation in the Contractor Performance Assessment Reporting System.**

Washington Headquarters Services Comments

The Director of the WHS Acquisition Directorate, responding for the WHS Director, neither agreed nor disagreed with our recommendation. The Director stated that the performance evaluation for MSI, Inc. was completed and closed on November 6, 2024.

Our Response

Comments from the Director addressed the specifics of the recommendation to direct the contracting officer to complete the outstanding contract performance evaluations for MSI, Inc. On February 4, 2025, we accessed CPARS and verified that the outstanding performance evaluation identified in this management advisory for the MSI, Inc. contract was completed. Therefore, the recommendation is closed.

¹⁷ (U) FAR 42.1501, "General."

- b. Direct the contracting officer to complete the outstanding contractor performance evaluations required for the Science Applications International Corporation contracts and submit the performance evaluations in the Contractor Performance Assessment Reporting System.**

Washington Headquarters Services Comments

The Director of the WHS Acquisition Directorate, responding for the WHS Director, neither agreed nor disagreed with our recommendation. The Director stated that the performance evaluations for SAIC were completed and closed on October 25, 2024.

Our Response

Comments from the Director addressed the specifics of the recommendation to direct the contracting officer to complete the outstanding contract performance evaluations for SAIC. On February 4, 2025, we accessed CPARS and verified that the outstanding performance evaluations identified in this management advisory for the SAIC contracts were completed except for contract HQ0034-15-A-0019, option year 5, period of performance from September 2022 to March 2023. Therefore, the recommendation is resolved but will remain open. We will close this recommendation once we receive documentation showing that the remaining performance evaluation was completed.

- c. Direct the contracting officer to verify completion of designated monitoring and evaluation responsibilities for other assessment, monitoring, and evaluation contracts by the Defense Security Cooperation Agency contracting officer's representative are being followed to meet 120-day submission deadline for performance evaluations.**

Washington Headquarters Services Comments

The Director of the WHS Acquisition Directorate, responding for the WHS Director, neither agreed nor disagreed with our recommendation. The Director stated that the WHS conducted a review of DSCA AM&E contracts in CPARS, and all performance evaluations are current and meet the 120-day submission deadline. The Director stated that the review was completed on November 25, 2024.

Our Response

Comments from the Director addressed the specifics of the recommendation to direct the contracting officer to verify completion of designated monitoring and evaluation responsibilities for other AM&E contracts. In February 2025, we accessed CPARS and verified that the performance evaluations for 12 contracts identified by the WHS as DSCA AM&E contracts were current or meet the 120-day submission deadline. Therefore, the recommendation is closed.

- d. **Initiate a review of the contracting officer's actions for failing to meet the 120-day submission deadline for Management Systems International, Inc., and Science Applications International Corporation performance evaluations in violation of the Federal Acquisition Regulation, and as appropriate, initiate administrative action.**

Washington Headquarters Services Comments

The Director of the WHS Acquisition Directorate, responding for the WHS Director, neither agreed nor disagreed with our recommendation. The Director stated that WHS reviewed the contracting officer's actions and initiated an administrative action as deemed appropriate.

Our Response

Comments from the Director addressed the specifics of the recommendation to review the actions of the contracting officer. We reviewed the letter of instruction, dated February 12, 2025, issued to the contracting officer to emphasize the contracting officer's responsibility to ensure that contracts are processed through CPARS in a timely manner. Therefore, the recommendation is closed.

Recommendation 2

We recommend that the Director, Defense Security Cooperation Agency:

- a. **Direct the assigned contracting officer's representative to complete the outstanding contractor evaluation narrative for the Management Systems International, Inc., contract and submit the performance evaluation narrative to the contracting officer to facilitate the completion and submission of the performance evaluations in the Contract Performance Assessment Reporting System.**

Defense Security Cooperation Agency Comments

The Acting Chief Financial Officer and Chief Operations Officer, responding for the DSCA Director, agreed with our recommendation. The Acting Chief Financial Officer and Chief Operations Officer stated that the DSCA works with the program office 30 days before the contract end date to gather narratives in support of CPARS to ensure timely submission and proper contract closeout. They also stated that in coordination with the WHS Acquisition Directorate, the DSCA has established annual CPARS training and access to the detailed guidance on CPARS completion and narrative examples. Furthermore, the Acting Chief Financial Officer and Chief Operations Officer stated that the DSCA COR intends to complete the evaluation narrative for the most recent period of performance, option year 5, which ended on February 12, 2025, within 45 days of the end of the period of performance, which is March 29, 2025.

Our Response

Comments from the Acting Chief Financial Officer and Chief Operations Officer addressed the specifics of the recommendation to direct the assigned COR to complete the outstanding contractor evaluation narrative for option year 4 of the MSI, Inc. contract and submit the narrative to the contracting officer to facilitate the completion and submission of the performance evaluation in CPARS. We also acknowledge the DSCA's efforts to apply the results of our review, which covered the base year through option year 4, to the evaluation narrative for option year 5. On February 4, 2025, we accessed CPARS and verified that the outstanding performance evaluation identified in this management advisory for the MSI, Inc. contract was completed. Therefore, the recommendation is closed.

- b. Direct the assigned contracting officer's representative to complete the outstanding contractor evaluation narratives for the Science Applications International Corporation contracts and submit the performance evaluation narratives to the contracting officer to facilitate the completion and submission of the performance evaluations in the Contract Performance Assessment Reporting System.**

Defense Security Cooperation Agency Comments

The Acting Chief Financial Officer and Chief Operations Officer, responding for the DSCA Director, agreed with our recommendation. They stated that the DSCA and WHS contracting officers completed the overdue CPARS reports for SAIC in October 2024.

Our Response

Comments from the Acting Chief Financial Officer and Chief Operations Officer addressed the specifics of the recommendation to direct the assigned COR to complete the outstanding contractor evaluation narrative for the SAIC contract and submit the performance evaluation narrative to the contracting officer to facilitate the completion and submission of the performance evaluations in CPARS. On February 4, 2025, we accessed CPARS and verified that the outstanding performance evaluations identified in this management advisory for the SAIC contracts were completed except for contract HQ0034-15-A-0019, option year 5 period of performance from September 2022 to March 2023. Therefore, the recommendation is resolved but will remain open. We will close this recommendation once we receive documentation showing that the performance evaluation narrative was provided to the contracting officer, or the performance evaluation was completed.

- c. **Implement controls to verify completion of outstanding tasks appearing on the Washington Headquarters Services contracting officer's monthly "overdue" report to monitor timely receipt of contracting officer's representative narratives.**

Defense Security Cooperation Agency Comments

The Acting Chief Financial Officer and Chief Operations Officer, responding for the DSCA Director, agreed with our recommendation. They stated that the Acquisition Support Division was established in October 2023 to serve as the enterprise contract administration team providing acquisition oversight and contract management controls, including completing contractor performance assessment report narratives, for contracts awarded and administered by the WHS. Additionally, the Acquisition Support Division works in tandem with WHS to monitor the life cycle of each contract from pre-award development to contract closeout to include timely completion of reports in CPARS.

Our Response

Comments from the Acting Chief Financial Officer and Chief Operations Officer addressed the specifics of the recommendation to implement controls to verify completion of outstanding tasks, including the completion and submission of the performance evaluations in CPARS. Of the 16 periods of performance for the MSI, Inc. and SAIC contracts we reviewed as part of this advisory, 15 were complete and 1 was ongoing when the DSCA established the Acquisition Support Division in October 2023. In February 2025, the Acquisition Support Division provided us a process guide applicable to DSCA CORs responsible for initiating and submitting contractor performance reports. The process guide outlines a timeline for CORs to submit evaluation reports to the contracting officer in CPARS no later than 45 days from the end of the period of performance to help the contracting officer meet the 120-day FAR requirement. Furthermore, the process guide states that the Acquisition Support Division Branch Chief will generate reports on completion rates and timeliness and directly follow up with CORs when submissions to the contracting officer exceed 60 days. Based on our review of the process guide, and the Acting Chief Financial Officer and Chief Operations Officer's comments on Recommendation 2.a, we agree that the control framework documented in the process guide, if followed properly, should address the timeliness issues identified in this advisory. Therefore, the recommendation is closed.

- d. Initiate a review of the Management Systems International, Inc., and Science Applications International Corporation contracting officer's representatives' actions for failing to complete the outstanding tasks appearing on the Washington Headquarters Services contracting officer's monthly "overdue" report to include the timely completion of the contracting officer's representative narratives, and as appropriate, initiate administrative action.

Defense Security Cooperation Agency Comments

The Acting Chief Financial Officer and Chief Operations Officer, responding for the DSCA Director, agreed with our recommendation. They stated that a letter of instruction will be issued to the COR to notify them of their error in submitting the CPARS narratives late.

Our Response

Comments from the Acting Chief Financial Officer and Chief Operations Officer addressed the specifics from the recommendation to review the actions of the COR. We reviewed the letter of instruction dated January 30, 2025, issued to the COR to emphasize the COR's responsibility to ensure the timely and accurate completion of evaluation narratives in CPARS for all applicable contracts. Therefore, the recommendation is closed.

Management Comments

Washington Headquarters Services



ACQUISITION DIRECTORATE

DEPARTMENT OF DEFENSE
WASHINGTON HEADQUARTERS SERVICES
1155 DEFENSE PENTAGON
WASHINGTON, DC 20301-1155



December 9, 2024

The Honorable Robert P. Storch
Department of Defense
Office of Inspector General
Hawaii Audit Office, Joint Base Pearl Harbor-Hickam
ATTN: [REDACTED]
Via email: [REDACTED]

Subject: Response to Discussion Draft of a Proposed Project No. D2023-D000RM-0119.001
Management Advisory: Timeliness of Performance Evaluations for Contracts Supporting the
DoD's Building Partner Capacity Efforts

Dear [REDACTED],

Washington Headquarters Services, Acquisition Directorate (WHS/AD) is in receipt of the Department of Defense Office of Inspector General's (DoD OIG's) Draft Project No. D2023-D000RM-0119.001 entitled "Management Advisory: Timeliness of Performance Evaluations for Contracts Supporting the DoD's Building Partner Capacity Efforts," dated November 14, 2024. WHS/AD appreciates the opportunity to address recommendations 1.a, 1.b, 1.c, and 1.d in the referenced report. WHS/AD respectfully requests that the DoD OIG close out recommendations 1. a, 1.b, 1.c, and 1.d based on AD's Response.

Recommendation	Description/Issue DoD IG	Page	AD Response
1. a.	Direct the contracting officer to complete the outstanding contractor performance evaluation required for the Management Systems International, Inc., contract and submit the performance evaluation in the Contractor Performance Assessment Reporting System.	14	The Management Systems International, Inc. Contractor Performance Assessment Reporting System has been evaluated, completed, and closed on 6 November 2024.
1.b.	Direct the contracting officer to complete the outstanding contractor performance evaluations required for the Science Applications International Corporation contracts and submit the performance evaluations in the Contractor Performance Assessment Reporting System.	15	The Science Applications International Corporation Contractor Performance Assessment Reporting System has been evaluated, completed, and closed on 25 October 2024.
1.c.	Direct the contracting officer to verify completion of designated monitoring and evaluation responsibilities for other assessment, monitoring, and evaluation	15	A review of all Defense Security Cooperation Agency (DSCA) Contractor Performance Assessment

Washington Headquarters Services (cont'd)

	contracts by the Defense Security Cooperation Agency contracting officer's representative are being followed to meet 120-day submission deadline for performance evaluations.		Reporting System (CPARS) was completed on 25 November 2024. All DSCA CPARS are current and meet the 120-day submission deadline for each performance evaluation.
1.d.	Initiate a review of the contracting officer's actions for failing to meet the 120-day submission deadline for Management Systems International, Inc., and Science Applications International Corporation performance evaluations in violation of the Federal Acquisition Regulation, and as appropriate, initiate administrative action.	15	WHS/AD has reviewed the Contracting Officer's actions taken to meet the 120-day submission deadline for Management Systems International, Inc. and Science Applications International Corporation performance evaluations; and has initiated administrative actions as appropriate.

Thank you for the opportunity to respond to the draft report recommendations, WHS/AD is committed to complying with all statutes, and regulations and strengthening its internal controls to ensure full compliance with the OIG's recommendations. In addition, we are requesting the attached comments be considered for the final report. The assigned point of contact for this topic is [REDACTED]. Division Director, Enterprise Acquisition Policy, and Strategic Initiative, [REDACTED] can be reached at [REDACTED] or by cell phone [REDACTED].

SANDERS.DAVID.DE
LANO [REDACTED]
David D. Sanders
Director, Acquisition Directorate

Defense Security Cooperation Agency



DEFENSE SECURITY COOPERATION AGENCY 2800 DEFENSE PENTAGON WASHINGTON, D.C. 20301-2800

February 14, 2025

MEMORANDUM FOR DEPARTMENT OF DEFENSE OFFICE OF INSPECTOR GENERAL (Department of Defense Office of Inspector General (DoDIG))

SUBJECT: Response to the draft DODIG Report “Timeliness of Performance Evaluations for Contracts Supporting the DoD’s Building Partner Capacity Efforts” (Project No. D2023-D000RM-0119.001)

Thank you for the opportunity to comment on the subject DoDIG’s draft evaluation report titled “Timeliness of Performance Evaluations for Contracts Supporting the DoD’s Building Partner Capacity Efforts” (Project No. D2023-D000RM-0119.001). I appreciate DODIG’s open and collaborative process throughout this evaluation.

The DoDIG’s draft recommends that the Director, DSCA, direct the Contracting Officer Representative (COR) to complete the outstanding contractor evaluation narrative for the Management Systems International, Inc. (MSI) contract and submit the performance evaluation narrative to the contracting officer to facilitate the completion and submission of the performance evaluations in the Contract Performance Assessment Reporting System (CPARS) (*Recommendation 2a*). DSCA Acquisition Support Division within the Office of Business Operations (DSCA-ASD) concurs with this recommendation. However, DSCA-ASD would like to note that the MSI Task Order, HQ0034-19-D-0025, current period of performance runs from February 13, 2024 – February 12, 2025. The contract COR will complete the evaluation narrative in CPARS 45 days following the end of the contract PoP, which is March 29, 2025. This will ensure compliance with the Federal Acquisition Regulation (FAR), Part 42.15. DSCA agrees that timely completion of contractor evaluations in CPARS is an integral part of the contract administration process and is used to inform future contract award decisions, ensuring that government agencies select the best-performing contractors and incentivizes contractors to maintain high-quality standards by holding them accountable for their work. DSCA ASD, in coordination with Washington Headquarters Service-Acquisition Directorate (WHS-AD) established annual CPARS training and access to the WHS COR Center of Excellence SharePoint site that provides detailed guidance on CPARS completion and narrative examples. DSCA-ASD works with the program office thirty-days prior to contract end date to begin gathering narrative statements in support of CPARS submissions. This helps to ensure timely submission and proper contract close-out.

The DODIG’s draft recommends that the COR complete the outstanding contractor evaluation narratives for the Science Applications International Corporation (SAIC) contracts and submit the performance evaluation narratives to the contracting officer to facilitate the completion of the submission of the performance evaluations in the CPARS (*Recommendation 2b*). The DSCA-ASD concurs with the recommendation; however, DSCA recommends its closure. DSCA completed

Defense Security Cooperation Agency (cont'd)

the CPARS report for SAIC contract HQ003423F0150 (period of performance September 30, 2022 – March 29, 2023) on October 15, 2024, and the CPARS for SAIC contract HQ00341F0556 (period of performance September 30, 2018 – September 29, 2022) on October 8, 2024, was completed by the WHS Contracting Officer.

The DODIG's draft recommends implementing controls to verify completion of outstanding tasks appearing on the Washington Headquarters Services contracting officer's monthly "overdue" report to monitor timely receipt of contracting officer's representative narratives (*Recommendation 2c*). DSCA-ASD concurs with the recommendation; however, DSCA recommends its closure. DSCA established DSCA-ASD on October 1, 2023, to serve as the enterprise contract administration team providing acquisition oversight and contract management controls, including completing CPAR narratives, for contracts awarded and administered by WHS. DSCA-ASD works in tandem with WHS to monitor the entire lifecycle of each contract – from pre-award development to contract closeout. DSCA-ASD COR monitoring aligns with the process and procedures set forth by the acquisition authority at WHS. The DSCA-ASD Division and Branch chiefs closely monitor WHS reporting to ensure timely completion of key contract elements, to include CPAR report submissions.

Lastly, the DODIG's draft recommends initiating a review of the CORs' actions related to MSI and SAIC for failing to complete the outstanding tasks appearing on the WHS contracting officer's monthly "overdue" report to include the timely completion of the COR narratives, and as appropriate, initiate administrative action (*Recommendation 2d*). In response, DSCA-ASD concurs with the recommendation; however, DSCA recommends its closure. The DODIG draft report identifies MSI and SAIC contract periods of performance that precede the establishment of the DSCA-ASD. Prior to the establishment of DSCA-ASD, both staffing shortages and limited access to contract files prohibited and/or delayed the COR from providing narrative statements for CPARS. This issue has since been mitigated. DSCA-ASD does find that the SAIC contract HQ003423F0150, period of performance March 30, 2023 – September 29, 2023, was submitted outside of the 120-day timeframe; as such, a Letter of Instruction will be issued to the CORs notifying them of their error in submitting the CPARS report late. The Letter of Instruction will highlight the importance of timely CPARS narratives and provide instruction and training for CPARS narrative writing and system access.

Please direct any further questions to DSCA's main point of contact for this matter, [REDACTED], DSCA/OBO/ASD, at [REDACTED] or [REDACTED]

ANDERSON, GLEN
N. EDWARD, [REDACTED]
[REDACTED]

Glenn E. Anderson
Acting, Chief Financial Officer and
Chief Operations Officer

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Legislative Affairs Division
703.604.8324

Public Affairs Division
public.affairs@dodig.mil; 703.604.8324



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

