

Information Technology Service Contract with Booz Allen Hamilton, Inc.

A-14-13-13009



August 2014

Office of Audit Report Summary

Objectives

Our objectives were to (1) determine whether the Social Security Administration (SSA) received the goods and services for which it contracted and (2) review the services provided by Booz Allen Hamilton, Inc., (BAH) and the related costs charged to SSA for adherence to the negotiated terms and applicable regulations.

Background

On September 16, 2008, SSA entered into a 5-year Blanket Purchase Agreement (BPA) with BAH to place orders for information technology-related commercial services under the Federal Supply Schedule.

As of September 15, 2013, when the BPA expired, SSA had issued 91 calls and obligated \$45 million.

Our Findings

Based on our analysis, we determined that SSA ultimately received the services for which it contracted and was generally satisfied with BAH's work. However, we found that SSA

- did not always include appropriate, measurable requirements in its Statements of Work;
- did not fully comply with the Federal Acquisition Regulation's requirements for price reasonableness evaluations; and
- accepted quotes and invoices from BAH that did not meet the Agency's requirements.

Our Recommendations

Although the BPA expired on September 15, 2013, we believe SSA should consider the issues we identified in our audit when entering into, and managing, future contracts/BPAs. Therefore, when acquiring specialized commercial advisory and assistance services through the Federal Supply Schedule, we recommend that SSA:

1. Issue Statements of Work that include sufficient details to enable the Agency to assess the contractors' work performance against measurable performance standards.
2. Consider the proposed level of effort and mix of labor to perform specific tasks to determine whether the total price is reasonable before accepting a contractor's quote.

SSA agreed with our recommendations.