

The Department of Justice (DOJ) Office of the Inspector General (OIG) today released a report examining the Bureau of Prisons' (BOP) efforts to improve acquisition through strategic sourcing. The OIG audit reviewed the procurement practices in the BOP from October 2010 through March 2013, during which time the BOP awarded almost \$9 billion in contracts. We found that while the BOP had established national contracts and blanket purchase agreements to help reduce costs and achieve the goals of strategic sourcing, it had not established a program to implement and oversee the General Services Administration's (GSA) Federal Strategic Sourcing Initiative or other federal strategic sourcing initiatives. We also found that purchasing operations are largely de-centralized, with institutions making procurement decisions locally, and that the procurement personnel at BOP institutions were uncertain about whether the use of the national contracts and blanket purchase agreements was mandatory or optional.

In that regard, the report released today found that, while the BOP has established national contracts and blanket purchase agreements, participated in other GSA and Department of Justice cost-savings initiatives, and encouraged the institutions to use the national contracts and blanket purchase agreements, it typically did not make the use of these cost-savings efforts mandatory. We also found the BOP does not track participation in the national contracts and other cost-savings initiatives, and does not require documentation of cost savings achieved through participation in such programs. As a result, the BOP is not fully leveraging its buying power to reduce procurement costs.

The OIG made three recommendations to improve the BOP's procurement practices, including implementing a strategic sourcing program; identifying and communicating to BOP procurement staff when they must use existing contracts and cost-savings initiatives; and including in its internal program review process steps to verify whether BOP procurement offices are using strategic sourcing in the acquisition of goods and services. The BOP agreed with all three recommendations.

The report can be found on the OIG's website at: <http://www.justice.gov/oig/reports/2014/a1417.pdf>.