



# OFFICE OF THE INSPECTOR GENERAL

## U.S. Department of Justice

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### **DOJ OIG Releases Report on USMS Contract with Akal Security, Inc.**

The Department of Justice (DOJ) Office of the Inspector General (OIG) announced today the release of a report examining the United States Marshals Service's (USMS) contract with Akal Security, Inc. to provide court security services at the James A. Byrne U.S. Courthouse in Philadelphia, Pennsylvania. Akal is one of the largest providers of contracted federal judicial security services, protecting 112 federal courthouses in 12 states. The DOJ OIG audited the services provided at the Philadelphia courthouse during fiscal year 2013, which were valued at approximately \$3.9 million.

The OIG's report concluded that Akal's performance was satisfactory in the areas of Court Security Officer (CSO) performance monitoring, medical examinations, background checks, firearms qualifications, and training. However, we found that Akal did not account for its contract costs in sufficient detail, as required by the contract and the Federal Acquisition Regulation (FAR). As a result, neither the USMS nor the OIG was able to identify and evaluate whether the costs incurred by Akal and billed to USMS were allowable and allocable.

We also found that Akal incorrectly billed the USMS for start-up costs, such as uniform expenses, medical examinations, and weapons qualification costs, using the contract ceiling rate instead of lower actual costs as required by the FAR for time-and-materials contracts such as this. We found that this resulted in billings of \$1,271 above actual costs during the time we audited.

As described in today's report, the OIG discussed both the tracking and start-up issues with USMS officials, who told us that while they agree that Akal did not comply with these contract requirements, the USMS does not intend to continue including these requirements in future CSO contracts. The USMS believes it can provide adequate oversight of contractor performance and exercise effective billing controls over contract security services through other means. As the objective of this audit was to determine Akal's compliance with the existing contract and not to evaluate USMS's future CSO contract policies, the OIG does not take a position on USMS's response. However, we currently are conducting a separate audit of USMS's overall court security procurement practices and, as part of that audit, we plan to assess the USMS's assertions as well as other USMS contracting practices related to its CSO program.

The report released today makes two recommendations to the USMS to help improve its oversight of the Akal contract. In their formal responses to our report, neither the USMS nor Akal stated whether they agree with our recommendations, but both described actions they have taken to address the issues identified during our audit.

Today's report is available on the OIG's website at the following link: <https://oig.justice.gov/reports/2016/a1627.pdf>.