



OFFICE OF THE INSPECTOR GENERAL

U.S. Department of Justice

(202) 514-3435 | oig.justice.gov

FOR IMMEDIATE RELEASE

November 1, 2018

DOJ OIG Releases Report on the Justice Management Division's Administration of Task Orders Totaling \$22.5 Million for Litigation Support with CACI, Inc.

Department of Justice (DOJ) Inspector General Michael E. Horowitz announced today the release of a report examining the Justice Management Division's (JMD) administration of \$22.5 million in task orders awarded to CACI, Inc. (CACI) under the MEGA 4 contract. The contract provides litigation support services to the Executive Office for the United States Attorneys (EOUSA), with the audit focusing on task orders for the United States Attorneys' Offices (USAO) in the District of New Jersey (District of NJ), the Southern District of New York (SDNY), and the Eastern District of New York (EDNY).

Although the DOJ Office of the Inspector General (OIG) found that JMD and the USAOs were satisfied with the quality of services provided by CACI, the OIG concluded that DOJ staff responsible for administering the task orders did not always exercise effective controls. As a result, DOJ staff failed to prevent and detect CACI's noncompliance with requirements in the areas of project management, billing, employee qualifications, and subcontractor oversight.

The specific findings in the report released today include:

- While CACI provided an onsite Project Manager at SDNY, that individual did not fulfill position requirements to supervise and manage the workload of the CACI legal support staff. Rather, CACI staff received workload assignments directly from government employees. This created the appearance of the MEGA 4 contract being a personal services contract, even though there is a regulatory prohibition against obtaining personal services by contract. Ambiguous guidance from government officials may have contributed to this issue.
- Inconsistent and improper administration practices resulted in CACI billing for labor worked by an unqualified paralegal employee, and for a subcontractor that was not approved by the contracting officer.
- CACI billed costs to the task orders that were inaccurate and unallowable. The OIG identified billing errors associated with travel costs, inaccurate billing rates, and billing for more positions than authorized; all of which were paid prior to being identified, due to inefficient and inconsistent DOJ procedures.

Today's report makes 18 recommendations to JMD to address the deficiencies identified and improve oversight of CACI. JMD agreed with 9 of these recommendations, with one of the recommendations now closed, and disagreed with 9 of the recommendations.

Report: Today's report is available on the OIG's website at the following link:
<https://oig.justice.gov/reports/2018/a1901.pdf>.

###